



'Energy' – Casework Resources information for the Financial Counselling Australia website - toolkit.org.au

The information is complemented by three simple step-by-step brochures that clients can take home. These are:

- Take control of your energy bills
- Simple steps to save on your energy bills
- Efficient appliances cost less to run.

Note: Minimal imagery has been used to match the current style of the toolkit website. If FCA would like additional imagery and icons to help with the websites tabs these can be provided.

The following has not been designed as it will need to be built into pages on the toolkit.org.au website.

The content is proposed to sit on the following tabs:

- 1 - Overview / key messages
- 2 - How households use energy
- 3 - Better energy deal *
- 4 - Better homes and better energy use *
- 5 - Energy efficient appliances *

** supporting brochure*

Overview (tab)

Rising energy prices affect low-income households the most. It can also be difficult for them to identify what they can do to reduce their bills. High, unaffordable energy bills and the fear of disconnection cause great anxiety.

This information was compiled by Energy Consumers Australia (ECA) to advise financial counsellors and capability workers on how they can help their clients manage their energy bills and energy usage to prevent hardship.

ECA's Power Shift project, funded by a Commonwealth grant, developed a framework that sets out what choices households have to manage their energy usage. By using this framework, you can help ensure better outcomes for vulnerable households.

A key lesson from the Power Shift research is that for information and advice to be effective, it needs to be tailored to people's needs and the way people actually live - not aimed at a generic audience that thinks and lives the same way. Importantly, the advice needs to be delivered by a trusted source or organisation. For low-income households this often means through financial counsellors and capability workers.

The focus of this information is on low-cost, simple actions that households (renters and homeowners) can take to reduce their energy use, manage their bills and reduce their stress. It also identifies what other supports and financial schemes are available to help with bills or upgrading appliances.

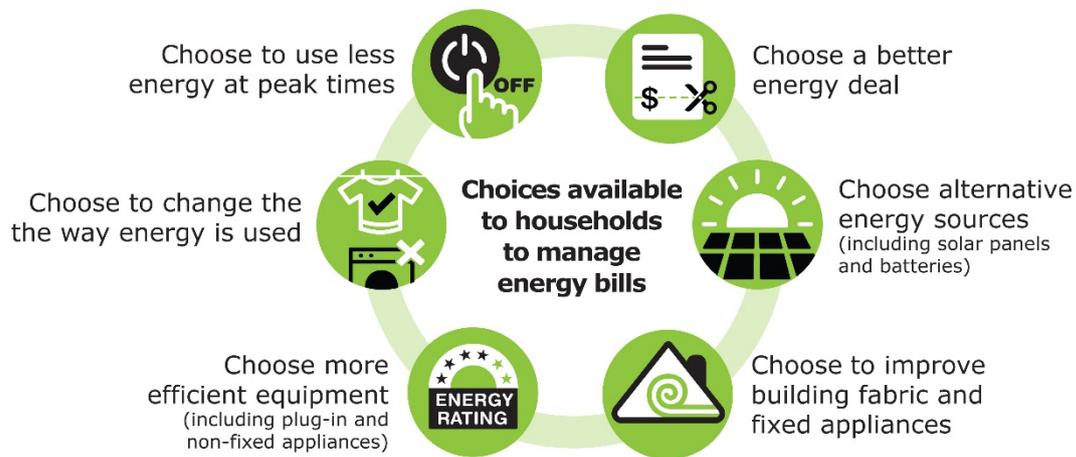
This information is designed to help financial counsellors and capability workers educate clients on the benefits of taking action and how to seek help, preferably before they reach crisis point.

The information is complemented by three simple step-by-step brochures that clients can take home. These are:

- Take control of your energy bills
- Simple steps to save on your energy bills
- Efficient appliances cost less to run.

Energy choices for your clients

The Power Shift framework identified six energy choices that households may have.



Not all households have all six choices. It depends on their living situation and their motivation, ability and opportunity to act. Some households may only be able to exercise two or three choices. This module focuses on the four energy choices that are most applicable to low-income households. They are:

- ❖ **Choose a better energy deal:** this gives clients a series of questions they can ask their retailer (alone or with the help of a financial counsellor) to make sure they're on the best deal, and getting the right help with payments
- ❖ **Choose to improve the home:** actions that a homeowner or renter can take to make their home more energy efficient, including information on government programs that might help
- ❖ **Choose the way energy is used:** simple steps to save energy and money by changing usage behaviours and habits
- ❖ **Choose more efficient appliances:** guidance on the assistance available to help households upgrade to more energy efficient appliances and save money.

The two choices not covered are:

- Choosing alternative energy sources (solar and batteries) due to the financial investment required.

- Choosing to use less power at peak time (tariffs/rates), as this is a complex topic and not available to all. For a basic understanding of peak and off-peak power, refer to the different tariff types on [Energy Made Easy](#).

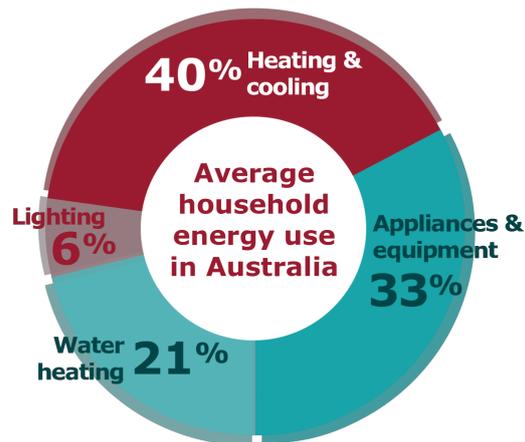
Key messages

It is important to emphasise to your clients that their unaffordable bills are often not a result of them using more energy, but because of structural changes in the energy market. Consumers are just the ones bearing the brunt of these changes. The key messages are:

- Consumers are not the problem and should not be made to feel anxious about heating or cooling their homes or using household appliances.
- It is important that consumers are empowered to act and take control of their energy bills so they can live more comfortably.
- Some households will have the motivation, ability and opportunity to act on more energy choices than others.
- Most households can take simple steps to make their homes more energy efficient, and to switch off appliances when they aren't being used. Some will also be eligible to access schemes to upgrade appliances and get help with bill payments.
- A comfortable home temperature is important to a person's health and wellbeing, particularly older Australians who spend more time at home. If people are living in overly hot or cold conditions, it's important they get all the help they can.
- Clients need persuading that changing their normal behaviour will be beneficial.
- Most states and territories, and some energy companies, offer discounts and rebates to eligible households.

How households use energy (tab)

This diagram shows the average energy use in a home in Australia. If people live in a hotter or colder climate than the average and spend a lot of time at home, they might use a greater proportion on heating and cooling.



This diagram also helps identify what actions are likely to have the greatest impact on reducing energy bills.

For example, given that heating and cooling represent such a large part of typical energy costs, it is helpful to focus on what clients can do in these areas, rather than focusing on, for example, a television, radio or single reading lamp, which use much less energy. If people are supported to understand what appliances consume the most electricity, they can focus their efforts in the right places.

Similarly, while the most effective thing to do might be to replace an old heating or airconditioning unit with a single reverse cycle energy efficient model, this will not be an option for many low-income households and particularly renters. Therefore, pointing them to low cost ways of reducing heat loss or heat gain through simple measures such as draught proofing is much more likely to get action and immediate results.

See the section/tab on 'Better homes and Better energy use' for more practical tips and actions.

Better energy deal (tab)

Your clients can take some simple steps to ensure they are on the best energy deal.

Many of your clients may need to be encouraged to ask for the help that is available (from different sources). It is useful to emphasise that they are not alone in needing help with their energy bills - high energy bills are affecting millions of Australians right now.

The first step is encouraging consumers to contact their energy company to make sure they are on the best deal. They could save hundreds of dollars a year through making one simple call!

Before calling the energy company it would help if they had the latest bill handy to check:

- Energy used in the last quarter (check the daily kWh figure for electricity usage and GJ figure for gas consumption). Also check if the cost per kWh/GJ has increased.
- See how the bill compares with the same time last year so they know if their costs are going up.

Questions for consumers to ask their energy company (the phone number will be on the bill)

- Can you give me a better deal?
- How do I know that my energy plan suits my household usage?
- Am I being charged different rates for using energy at different times of the day? (ask them to explain the times and where this is shown on your bill)
- How can I lower my energy bills?
- Can I make regular, but lower, payments more frequently?
- Am I eligible for any government concessions?
- Am I paying any extra fees for late payments or special meter readings?
- What would my exit fee be?

Options for shopping around

If clients aren't happy with the energy plan their provider has offered them and they live in the ACT, NSW, QLD, SA and TAS, they can compare electricity and gas offers at [Energy Made Easy](#) or call **1300 585 165**.

Victorians should check out [Victorian Energy Compare](#) or they can call **136 186**.

And in NSW you can also use [Energy Switch](#) or they can call **13 77 88**.

What to do before switching

There is a helpful checklist of things to consider before switching at [Energy Made Easy](#).

How to ask for help with paying the bill

If clients are struggling to pay their energy bills, they should call their energy company for help with payment. Encourage them not to wait until they are paying late fees or at risk of being disconnected.

When speaking to their energy company, customers should say:

- “I'm having trouble paying my bill. What can you do to help?”
- “I can't pay what you're asking me to. Are you able to put me on your hardship program?”

NOTE: Energy companies cannot make it mandatory for clients to see a financial counsellor before they can access the company's hardship program. While it may be in the customer's interest to get this support, it cannot be a condition of access.

Concessions and rebates

State and territory governments offer a range of energy concessions and rebates to help low-income households with energy costs. Your client should ask their energy company what financial help is available in their area.

Using CentrePay

If clients receive a Centrelink payment, including the pension, they can arrange for their energy bill to be paid directly to the energy company through CentrePay. This is a great way to manage energy bills and can be set up by Centrelink or the energy company.

National Debt Helpline

If you are a financial capability worker and your clients need to speak to a financial counsellor, they can call the National Debt Helpline on **1800 007 007**, 9:30am to 4pm, Monday to Friday.

Making a complaint about an energy company

Energy companies are required to help customers if they are having trouble paying, usually by offering an affordable payment plan. If your client is concerned that they cannot afford the payment plan offered, they should ask for a more affordable one. If the company refuses, your client should contact their state or territory Energy Ombudsman's office and ask for help.

The first thing an Ombudsman's office will ask is if your client has raised the issue with their energy company. Warn clients that they need to go through this avenue first, even if they don't want to or feel it wouldn't be helpful.

ACT Civil and Administrative Tribunal	02 6207 1740
Energy and Water Ombudsman NSW	1800 246 545
Office of the Ombudsman NT	08 8999 1818
Energy and Water Ombudsman QLD	1800 662 837
Energy and Water Ombudsman SA	1800 665 565
Energy Ombudsman TAS	1800 001 170
Energy and Water Ombudsman VIC	1800 500 509
Energy and Water Ombudsman WA	1800 754 004

(PDF) [Take control of your energy bills](#) (brochure for clients)

Better homes and better energy use (tab)

The average Australian household uses 40% of their energy on heating and cooling. People who live in a hotter or colder climate than average, spend a lot of time at home, and/or have lots of people living in the home, might use more.

Appliances use the second highest amount of energy. Get your client to focus on these areas to save on their energy bills.

Six simple actions that your clients can use to save \$\$

- 1 Use window coverings to keep the heat out in summer and cold out in winter.
- 2 Use fans before using an airconditioner, if that's an option.
- 3 Wash your clothes in cold water - it's just as effective as hot water and cheaper.
- 4 Hang washing outside or use a clothes rack instead of a dryer.
- 5 Turn off lights and appliances when not using them.
- 6 Take shorter showers to save water and save energy on heating the water.

There are numerous other simple actions that can be taken around the home. More information is available for your clients in this PDF – [Simple steps to save on your energy bills](#)

The four-page brochure covers:

- Efficient heating and cooling
 - actions for summer
 - actions for winter
 - actions to take all year round.
- Managing the costs of appliances and equipment
 - the kitchen
 - entertainment areas
 - the laundry
 - the bathroom
 - lighting.

Cheap products to make homes more energy efficient

Your clients can buy the following cheap products from a local hardware store to make their homes more energy efficient and save on energy bills.

- Draught stoppers (snakes) to stop draughts under doors. Go for bright colours or add something colourful so they will always be visible and there's no chance of tripping on them. Clients can also use old towels to stop draughts.

- Door and window seals to stop draughts. Ask staff at the hardware store how to install the seals.
- Use curtain railings to help cover windows or glass doors
- A thermometer will help keep an eye on the temperature in the home
- LED bulbs use less energy with lighting
- Pedestal fans use a lot less energy than airconditioners
- Use a clothes rack to dry clothes, even when it's raining outside
- Insulation rolls for the roof are also not very expensive

What to avoid!

Cheap plug-in fan or oil column heaters. They may be cheap to buy but they'll chew through the power, especially if they are left on during the day and/or overnight. For example, a single 2 kW electric heater running eight hours a day will cost about \$360 to run for just one quarter.

Energy efficient appliances (tab)

Household appliances, including for refrigeration and cooking, use about 33% of all energy used in the average Australian home. And 40% of energy use in the average home is for heating and cooling.

How efficiently appliances operate can make a big difference to the household energy bill. This is particularly relevant for major appliances such as fridges, dishwashers, washing machines and clothes dryers – that use a lot of energy and that you use often.

Many state governments have programs to help eligible households upgrade to energy-efficient appliances, as well as other lighting and solar incentives. These are outlined below.

The more stars the bigger the savings

When shopping around for new appliances, look closely at the Energy Star Rating labels to compare different models of the same size.

Keep in mind that the true cost of any appliance is the price paid to buy it, as well as how much it costs to run. Every extra star will save money on running costs - 30% on dishwashers, 25% on washing machines and dryers, and 20% on TVs.

Three key things for your clients to know:

- The No Interest Loan Scheme (NILS) can be used to buy appliances and is available throughout Australia.
- Most states and territories have specific programs to assist people to upgrade their old appliances.
- The total cost of using a rent-to-own scheme will be much higher than if you bought the appliance outright. Avoid these schemes (details below).

Replacing old appliances

If your clients can replace their old appliances, such as their fridge or washing machine, with more efficient models they will use less energy, meaning greater control over energy bills.

Most state and territories have fantastic rebates and grants for replacing appliances, heating and cooling upgrades, and some even have solar incentives (see below).

NOTE: For renters, any fixed appliances need to be installed and approved by the landlord - but renters can still buy non-fixed heaters and coolers with some of the following schemes.

The No Interest Loan Scheme (NILS)

The No Interest Loan Scheme (NILS) is available throughout Australia and offers eligible individuals and families access to safe, fair and affordable loans for purchasing appliances and some other essential household expenses.

NILS is offered by more than 175 local community organisations in over 600 locations across Australia. To find your nearest loan provider and learn more go to nils.com.au or call 13 NILS (**13 64 57**).

The NILS scheme offers:

- loans between \$300 and \$1,500 for essential goods and services including fridges, washing machines, TVs and other electrical goods
- no credit checks, no fees, interest or charges
- repayments set at an affordable amount over 12 to 18 months.

To be eligible for NILS people must:

- have a Health Care Card or earn less than \$45,000 a year (after tax)
- have lived in their current residence for a minimum of three months
- have a willingness and capacity to repay the loan.

A NILS loan is not a payday loan or a bank loan and cannot be used for cash, a bond, rent arrears, debt consolidation, holidays or bills.

Know how much it costs to rent appliances

Renting appliances through a rent-to-own scheme or even just a rental plan can appear attractive because the repayments seem small. However, the total cost of the appliance through a rent-to-own scheme will be much higher than buying it outright from the start. And in some cases, the customer will never end up owning the appliance.

Ensure clients are aware of the total cost of a rental agreement and the costs if they try to break the agreement before they sign up. While there are consumer protection laws to cover these schemes, they are not always followed by retailers or financiers, and the most vulnerable members of the community are often targeted by dodgy operators.

ASIC's MoneySmart site has a [fact sheet](#) on this issue.

(PDF) [Efficient appliances cost less to run](#) (brochure for clients).

State and territory schemes

Most states and territories have specific programs to assist people to upgrade their old appliances. The various programs can be located when searching by your state or territory [here](#).

The following is what was on offer on a state and territory basis as of June 2019.

Australian Capital Territory

The ACT Government heating and cooling [upgrade program](#) provides rebates of up to \$4000 for residents to upgrade old appliances to new energy-efficient appliances. Full details: actewagl.com.au/save-energy/upgrade-appliances.aspx

New South Wales

Offers [rebates and discounts](#) to assist eligible households buy energy-efficient products. When you replace your old model, you can receive:

- 40% off the cost of a fridge
- 50% off the cost of a television.

The offer applies to selected models. You could also be eligible for a discount of \$200 off a small airconditioning unit (2.5kW) or \$1,000 off a large unit (10kW).

Full details: energysaver.nsw.gov.au/households/rebates-and-discounts.

Northern Territory

- No rebates or discounts are currently available on appliances.
- Check with the NT Government for more details.

Queensland

The PeakSmart air conditioning program provides up to \$400 for Ergon Energy and Energex customers to upgrade to a PeakSmart air conditioner or convert an existing air conditioner to PeakSmart.

Full details here: energy.gov.au/rebates/QLD

Homeowners can apply for interest-free loans and/or grants of up to \$10,000 to help pay for solar panels and a battery storage system through the [Affordable Energy Plan](#).

South Australia

The [Retailer Energy Efficiency Scheme](#) runs until December 2020. The scheme offers eligible South Australian households with a range of incentives to save energy. These are available from energy companies and their contractors.

Typical activities include installing energy-efficient lighting, or installing water-efficient shower heads, helping to save water heating costs.

The [South Australian Home Battery Scheme](#) assists households access state government subsidies and loans of up to \$6000 to pay for the installation of home battery systems.

The subsidy is available to all South Australians and energy concession holders can access a higher subsidy.

While the subsidy applies to the battery only, households can apply for finance through the federal government's Clean Energy Finance Corporation to buy new or additional solar panels as well as the battery system.

Tasmania

The Tasmanian Energy Efficiency Loan Scheme, a joint initiative of the Tasmanian Government, Aurora Energy and Westpac Bank, concluded on 30 April 2019 with over 4,000 households benefiting from the program.

There are currently no appliance rebates or discounts available, with the Tasmanian Government directing people to the [No Interest Loan Scheme](#), where they continue to invest.

Victoria

The [Victorian Energy Upgrades](#) program provides discounts and special offers on selected energy-saving products and services.

The program can help cut the cost of replacing:

- fridges and freezers, and help with recycling the old fridge
- heating and cooling
- hot water system
- lighting
- TVs
- clothes dryers
- pool pumps
- standby power controllers.

A range of home improvement options are also available. Discounts and special offers are only available from participating businesses. Ask your retailer or tradesperson if they're registered as a participating business under the program or view the register of participating businesses online.

Western Australia

- No appliance rebates or discounts are currently available.
- Check with the Western Australia Government for more details.