

# The Sydney Morning Herald

NATIONAL CORONAVIRUS PANDEMIC

## OPINION

## *The next hip-pocket pandemic challenge will be how to pay soaring power bills*

By **Thuy Linh Nguyen**

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Top of mind for many of the people who have lost income in recent weeks is how they will pay the next fortnight's rent. In the midst of a pandemic no one wants to risk losing their home as well their job. Others have been caught wondering how they'll manage the weekly grocery shop.

Meanwhile, another problem is quietly brewing. At the same time as many households see their earnings fall, so too will they see their energy bills rise. And for those that pay their energy bills quarterly, the next bill – and the one after that – will likely come as a shock.



Australians are staying home to stop the spread of COVID-19 but that means they are using more power. ISTOCK

Not only is it getting colder (heating costs account for well over a third of most household's energy bills), but people are spending significantly more time at home. In households across NSW there are now more people spending more time on the computer or watching TV, more time with the lights on and turning on the heater come winter.

Recognising that many people are or will be experiencing dramatic changes in their lives, the Australian Energy Regulator last month articulated 10 new expectations for energy businesses. These included expanding assistance measures to all people experiencing financial stress, and a moratorium on disconnections until at least July 31.

The energy networks (the "poles and wires" companies) followed suit, last week announcing a relief package in support of no disconnections and offering rebates or deferrals on network charges to some residential and business customers.

The NSW government has also stepped up, announcing \$30 million in additional funding for the Energy Account Payment Assistance Scheme as part of its second stimulus package.

The missing piece in the middle of this puzzle is the energy retailers who, with their direct relationship with customers, are best placed to extend initial offers of assistance. While some retailers have issued press releases outlining the support they'll provide for their customers, measures vary greatly from one provider to the next. The landscape is hard to navigate at a time when certainty is vital.



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Coronavirus: Unemployment to hit 10%

Treasury has forecast unemployment to reach 10% but Treasurer Josh Frydenberg says it would have been a lot worse without the JobKeeper package. It comes as Labor again pushes for the wage subsidy scheme to be extended to casuals.

Many people are unaware that asking for help is even an option. Much less do they know that a request to go on a retailer's "hardship program" can be key to unlocking many of the assistance measures available.

Support shouldn't only be on offer to people who pick up the phone to advocate for themselves, or who have someone who can do this for them.

Energy retailers need to provide universal access to payment support and other assistance measures. Support should be offered proactively. It should not rely on customers making the first approach. Energy retailers should come together as a sector to provide a clear and consistent message to consumers about the support they will provide. Failing that, each retailer should issue unambiguous advice about how they will guarantee customers can access the energy they need to stay healthy at home, without accumulating unmanageable debt.

Energy is an essential service. In making sure they are meeting community expectations, energy companies must treat access to energy as a right, not a luxury.

People are staying at home are doing so to protect our communities. The cost of these actions, which benefit us all, should not be borne by those individuals and families already struggling to make ends meet. Rather retailers should make use of their power to assure their customers that, at least in this aspect of their lives, support will be there when it is needed.

**Thuy Linh Nguyen is a community organiser at the Sydney Alliance and co-lead of the Voices for Power Project.** The Sydney Alliance is a coalition of diverse community organisations, unions and religious organisations working to achieve a fair, just and sustainable Sydney. In the Voices for Power Project, ethnically and religiously diverse communities work towards the shared vision of clean, affordable energy for all.