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Rule change must be coupled with energy assistance campaign

The Australian Energy Regulator's move to shield consumers from bill pressure by seeking a deferral of payment of energy network costs for six months, is a positive move but is not a blank cheque to retailers.

Energy Consumers Australia CEO Lynne Gallagher said the initiative must be supported by a public awareness campaign so that consumers know that assistance is available if they can't manage their energy bills.

"People and businesses that are in financial difficulty must be made aware that support is available," Ms Gallagher said.

"The Australian Government invested in an advertising campaign to increase the uptake of the COVID-19 tracing app. To make sure people get access to the assistance they need so they can keep the power on, and stay warm this winter, we should do the same here."

Ms Gallagher also called on energy retailers and energy networks to lodge a joint submission to the rule change being run by the Australian Energy Market Commission.

"Energy businesses have a social contract with the community and this is a time for a coming together in the best interests of consumers."

"We need industry to work out any differences in a joined-up response to avoid bickering, motivated by patch-protection or self-interest, and to get a workable arrangement fast."

"The only interest that matters right now is the interest of Australians – our families and businesses.

"New Australian Bureau of Statistics data shows nearly a third of Australian household's financial situation has worsened since April, with twice as many adults reporting feelings associated with anxiety than before the crisis. [1]

"The ABS data also reveals the extraordinary hit to business, with nearly 70 per cent facing a loss in income and more than 40 per cent expecting a reduced ability to pay operating expenses. [2]

Ms Gallagher supported the AER seeking flexibility to extend the arrangements beyond the end of the year if needed, given the economic impacts of the COVID-19 pandemic on top of an extended drought and a season of bushfires.

“Industry and Australians who are still in work can play their part in making sure that no-one goes without the energy they need, during these tough times.”

“Paying your bill on time means that someone else can be given assistance if they can’t pay their bill.”

“Network businesses stepped up voluntarily in April 2020 with their Energy Assistance Package, which made a great start on assisting Australians struggling to pay their bills. This package builds on that.”

“It is time to hear from the electricity generators and the gas companies, whose costs make up around one-third of energy bills, how they will play their part in supporting Australians in difficulty.”

“Strong leadership and a whole of sector response is needed to ease the pressure on households and small businesses now and protect them from bill shock.”

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[1] <https://www.abs.gov.au/ausstats/abs@.nsf/mf/4940.0?OpenDocument>

[2] <https://www.abs.gov.au/ausstats/abs%40.nsf/mediar beyond the releasesbyCatalogue/49F8475B31112582CA25853600764041?OpenDocument>