

Energy safety net review underway

Victoria's energy regulator is reviewing the effectiveness of the safety net designed to help anyone struggling to pay their energy bills to see how well it's working to protect customers.

The Essential Services Commission is reviewing the implementation of the [payment difficulty framework](#) which has been in place since January 2019.

The Victorian framework contains some of the strictest rules in the country, leading the way on consumer protection.

Commission chair Kate Symons says the impact of the pandemic has highlighted the need for an effective support structure for customers that prevents high numbers of disconnections.

"Many Victorians who have never had to reach out for support before have been affected by job loss or reduced income.

"But the framework was designed to protect energy consumers at all times, ensuring disconnection is a measure of 'last resort' for anyone experiencing payment difficulty not just during a pandemic, she said.

The [payment difficulty framework](#) is a set of energy rules to support residential customers who are anticipating or facing payment difficulty. Developed in 2017–18 in following an [inquiry](#) into high disconnection rates, the framework came into effect in January 2019.

Ms Symons says the review is particularly timely, with the commission launching its 'Getting to fair' strategy in August, aimed at protecting customers experiencing vulnerability.

"The initial aim of the payment difficulty framework was to address residential disconnection rates which peaked at 2875 electricity customers per month in 2013-14.

"While the average disconnection rate fell to 1518 in 2019-20 following the framework's introduction, it's important to assess whether it's working as intended," she said.

The review will use feedback from a range of sources including data from energy retailers and community groups as well as consumer surveys.

The public are invited to provide submissions on the framework. Go to [Engage Victoria](#) to find out more.

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