



Essential Services: Electricity Policy

SACOSS is committed to sustainable energy that is available at affordable prices to meet basic household energy needs, especially households that experience disadvantage including low income households, carers, people with disability or mental illness or chronic health needs, large households, indigenous people, and new arrivals from culturally and linguistically diverse backgrounds. Basic household energy needs, common to most consumers but affected by their housing and the region in which they live, can be described as sufficient energy to sustain a reasonable standard of living; flexible and controllable payment methods; and information and advice.

Electricity is an essential service that is necessary to all individuals and household groups to maintain health and wellbeing. As such, all households are entitled to affordable access to sufficient energy to sustain a reasonable standard of living. This includes meeting the energy demands of the health needs of the household.

The percentage of income that a low income household spends on energy is often significantly higher than the percentage that higher income households spend.

Low income households often pay more for their electricity due to:

- Energy inefficient housing;
- An inability to purchase energy efficient home appliances;
- Lack of access to renewable energies;
- Paying energy bills through cost ineffective methods, including:
 - credit card payments that attract merchant fees and high interest rates;
 - 'payday loans' that charge exorbitant fees;
 - pawning possessions for considerably less than their real value; and
 - direct debit, which may incur overdrawn fees if the timing of the payment precedes deposit of income (pension, allowance or wages).
- Inability to pay an electricity bill, which may incur late payment fees and disconnection and reconnection fees.
- Disability or chronic health conditions or that require more electricity to run life sustaining medical equipment; to power mobility equipment and to warm or cool their home over more prolonged periods to help maintain an independent lifestyle.
- The structure of the electricity market, which can disadvantage low income households such as through the effects of uneven demand during peak load periods.

SACOSS is committed to:

- A collaborative approach with energy retailers, designed to identify the best possible long term solutions that will reduce imposts on low income consumers.
- Accessibility of electricity by vulnerable consumers.
- Accessible pricing safety nets that are responsive to greatest need and that maintain value in accordance with annual CPI increases.
- Resourced and appropriately targeted state government concessions and emergency electricity payments.
- Protection for vulnerable consumers against disconnection through assistance and support, including sustainable payment plans.
- Consumer access to effective and robust retail hardship policies, applied consistently by all energy retailers.
- Flexible and affordable payment plans that are readily accessible by vulnerable consumers, to help them in managing their energy payments such that they remain connected to an energy supply.
- Fairer tariff structures for vulnerable consumers.

- Minimum energy efficiency standards in all rental and social housing.
- Creating infrastructure and enabling affordable access to renewable energies by low income households in all areas throughout the state.
- Connecting all social housing to renewable energy infrastructure.
- Advice and information to low income consumers, with affordable access to energy efficient home appliances and resources for reducing energy consumption.
- Accessible and appropriate information regarding electricity market options and safeguards for vulnerable consumers that enable vulnerable consumers to make good choices.
- Identification of consumers who are the most likely to forego access to electricity or other basic essentials such as food to manage bills.
- Resources to enable ongoing identification of electricity consumer issues, analysis of impact of energy market regulations on vulnerable consumers and promotion of these consumer interests.

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UK

The UK have some well developed fuel poverty strategy that do not permit disconnection of aged, disabled, nor households with children under 5 years.

Two websites worth visiting include:

The UK Fuel Poverty Strategy, http://www.dti.gov.uk/energy/consumers/fuel_poverty/strategy.shtml

National Consumer Council, www.ncc.org.uk