



Media Statement

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Energy hardship on the rise again

The State Government's COVID-19 support measures provided vital assistance for Western Australian energy consumers in 2020, but financial hardship indicators started to rise again in 2021, new data from the Economic Regulation Authority shows.

The ERA has today [published its annual report on the performance of electricity and gas retailers](#), which has a focus on financial hardship and customer service.

ERA Chair Steve Edwell said various State Government support measures during the height of the pandemic, like the disconnection moratorium and \$600 electricity bill credit, had been effective and targeted one-off aid for energy consumers.

"The household bill credit helped many customers fully or partially repay electricity bill debt, with large reductions in the number of customers with a bill debt or on a hardship program as those credits were applied," Mr Edwell said.

"However, after the credits were applied, the number of customers repaying a bill debt and the average amount of debt owed continued to trend upwards," he said.

"By the end of 2020/21, the average residential bill debt for Synergy's non-hardship customers reached its highest level in five years, at \$562.

"The average bill debts for Synergy (\$1,178) and Horizon Power (\$1,547) customers taking part in a hardship program were the highest since reporting began in 2016/17."

Electricity disconnections have also steadily increased following the resumption of disconnections in the first half of 2021 for customers not meeting the conditions of their instalment plans.

Mr Edwell said there now appeared to be cohort of customers who could simply not afford to pay both for their ongoing energy usage and their outstanding debt from previous bills.

"Most of the customers with an energy bill debt will be on an instalment plan, and those payments under the plan should ideally be sufficient to repay bill debt and pay for ongoing consumption," Mr Edwell said.

"The data provided by electricity and gas retailers points to there being a group of customers whose payments under the plan are not enough to prevent the debt owed increasing with each bill," he said.

"The ERA's [intended changes to the electricity customer code](#), expected to be implemented later this year, will extend the assistance measures offered to customers in identified financial hardship to any customer that requests them, including extensions and instalment plans.

“The planned changes also include important protections for customers experiencing family and domestic violence, which is often a direct cause of financial hardship.”

There has been a similar increase in hardship for gas customers over 20/2021. Gas retailers were not bound by State Government COVID measures, but all gas retailers in Western Australia voluntarily paused disconnections for a number of months.

The ERA has also [published a report on the performance of energy distributors](#), which includes information on the number of connections to the electricity and gas networks, energy delivered, and streetlight faults and repairs.

About the ERA

The ERA is Western Australia’s independent economic regulator. We aim to ensure the delivery of water, electricity, gas and rail services in Western Australia is in the long-term interest of consumers.

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