



Notice

30 May 2023

New financial hardship policy guidelines for electricity retailers

The Economic Regulation Authority has approved new [financial hardship policy guidelines](#) for electricity retail licensees.

The guidelines have been updated to incorporate changes to the [Code of Conduct for the Supply of Electricity to Small Use Customers](#) that came into effect on 20 February 2023. Amendments have also been made to make the guidelines clearer.

The code of conduct requires electricity retail licence holders that supply residential customers to develop a financial hardship policy and procedures to assist customers to understand the retailer's responsibilities and the support measures that are available to help customers meet their financial obligations. The ERA has developed these guidelines to support retailers to meet the code of conduct's requirements.

Draft amended guidelines were [published](#) for public comment on 24 January 2023 and the ERA received two submissions:

- Australian Energy Council
- Australian National University.

The ERA updated the draft guidelines in response to the submissions.

In response to the AEC's submission, the ERA has differentiated the parts of the guidelines that are mandatory (to comply with the code of conduct) and the parts that are optional for retailers to include in their policies.

In response to the ANU's submission, the ERA has updated the guidelines to recommend that a retailer provide information for pre-payment meter customers in its financial hardship policy (if it has pre-payment meter customers). The code of conduct requires retailers to assist customers on pre-payment meters who are experiencing payment problems.

The ERA has previously published one set of guidelines for electricity and gas retailers, as the financial hardship provisions in the code of conduct and [Compendium of Gas Customer Licence Obligations](#) (the gas equivalent of the code of conduct) were almost identical. However, due to substantial changes made to the code of conduct earlier this year, the financial hardship provisions in the two instruments are no longer sufficiently similar and the ERA has published separate guidelines for electricity and gas.

The ERA is currently reviewing the compendium to align it with the amendments made to the code of conduct.

Current financial hardship policies of electricity retailers are available on the ERA's [website](#).

Further information

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