

Energy affordability initiatives

This information sheet summarises key initiatives that support energy affordability and can be used to help Victorian consumers struggling with energy bills.

Energy Concessions

If you have a Pensioner Concession Card, Health Care Card or Veteran Affairs Gold Card you can claim concessions and save money on your energy costs through some or all of the following support arrangements, depending on your personal circumstances.

- The **Annual Electricity Concession** will give you 17.5% off every electricity bill and the Winter Gas Concession can give you 17.5% off your gas bills over the winter months (May to October).
- The **Controlled Load Concession** gives you an extra 13% off controlled load electricity bills. Controlled load charges apply to separately metered electric hot water or slab heating. The concession is available to households with an eligible dual element electricity meter or dual element smart meter.
- A **Non-Mains Energy Concession** can refund some of the cost of buying firewood and bottled gas for heating and hot water.
- You can also save up to 17.5% off your summer electricity bill with the **Medical Cooling Concession**. This is available if you have an eligible illness. Illnesses such as Multiple Sclerosis, Lymphedema, Fibromyalgia, Polio and Motor Neurone Disease are included among other illnesses.
- If you use medical equipment at home, you could also save money. The **Life Support Concession** offers money to help with the cost of life support equipment (such as dialysis or oxygen machines) in the home.
- When moving to a new house, the **Electricity Transfer Waiver Fee Concession** means you don't pay any fees for moving your electricity account to a new home.

How to access

To check your concessions are up to date, make a quick call to your energy retailer and ask. They will check for you. You can also ask to check you are receiving all concessions you are eligible for.

You could also get money back for up to 12 months of missed concessions. Call your energy retailer and ask.

Call your energy retailer every 12 months to make sure they have all of your concessions listed on your account.

Don't forget to give your concession card details anytime you get a new concession card, move to a new house or change energy retailers.

You might need to fill out an application form to receive some concessions. Ask your energy retailer about this.

Utility Relief Grant Scheme

The Utility Relief Grant Scheme (URGS) helps you to reduce any debt you owe on your energy and water bills. You can access this grant every two years.

URGS can give you up to \$650 for electricity and \$650 for gas every two years (or \$1,300 if you only have electricity). The grant is also available for anyone who has experienced family violence.

Further, you cannot be disconnected while an application for the Utility Relief Grant Scheme is being processed.

To apply for the grant, you must have:

- your name on the energy bill
- a concession card (or a low income*)
- unexpected increases in costs or decreases in income.

*Low income for this grant is:

\$52,000 for single income households

\$78,988 for dual income households

How to access

To access this grant, call your energy retailer and tell them you'd like to apply for the Utility Relief Grant Scheme. They can help you complete the application.

Payment Difficulties Framework

Every energy retailer is obliged to support anyone who has difficulty paying their bill. If you get a disconnection message, it is very important to call the energy retailer so you can set up a new payment plan and keep the power on at your home.

This support is open to everybody – you do not need a concession card or anything else to get help. It's all based on the type of difficulty you are having.

You cannot be disconnected if you:

- owe less than \$300 on your energy bill
- are making payments on your payment plan – it's ok if you occasionally miss a payment, pay a bit late or are unable to pay the full amount – just call your energy retailer to let them know
- have applied for a Utility Relief Grant to pay up to \$1,300 of unpaid electricity and gas bills.

If you owe money from your old bills, you have the right to:

- a payment plan that pays off the money you owe in equal amounts over two years
- advice from your energy retailer on how to lower your energy costs.

If you owe money on your old bills and cannot afford the cost of your next bills, you have the right to:

- get a six-month freeze on paying off the money you owe (you can apply for the Utility Relief Grant to help pay off debts)
- set your own payment plan amount to what you can afford
- get support from your energy company to lower your costs to an amount you can afford.

How to access

The best thing you can do is talk to your energy retailer as soon as your energy bills start to become a worry.

If you're struggling to pay your energy bills, your energy retailer has to help you find a solution. If you call them, they can't switch off your power or gas.

You do not need a concession card or anything else to get help paying your energy bills. You just need to ask your energy retailer.

You have a right to get support. If your energy retailer does not give you the help you need, contact the free energy ombudsman service on 1800 500 509. They will tell you what retailers should and shouldn't do and help negotiate on your behalf.

Best Offer Notice

The Victorian Government has a rule in place to make energy retailers responsible for giving you their cheapest energy plan. It's called the 'best offer'.

Your energy bill tells you if your retailer has a cheaper energy plan available for your home. This is something the government has put in place to make energy companies responsible for giving you the cheapest energy plan available, based on how you currently use electricity and gas.

How to access

There are several ways to make sure you're receiving the best energy price offer. Look for the words 'could you save money on another plan?' on your energy bill.

You can call your energy retailer and ask. Energy retailers must tell you if they have a cheaper energy plan available for your home. This is based on how you currently use electricity and gas. This information will also be on your energy bill.

Once you have this information, you can tell the retailer you'd like to take them up on their 'best offer' by changing your plan to the one they've recommended.

If you have a concession card, this is also a good time to check if all your energy concessions have been added to your account.

Alternatively, you can use the online Victorian Energy Compare service. By searching all offers available from every energy company, Victorian Energy Compare can help you find the lowest electricity and gas prices for you.

If you don't take action you will roll on to the Victorian Default Offer. This is the Victorian Government's fair price for electricity. It won't necessarily be the cheapest plan but it will be fair and is a good option if you are confused about energy plans. You can ask to change to a different plan later.

The process for accessing the Best Offer varies with retailers, with some more streamlined than others. In each case, you can ask the energy retailer to explain the process.

Similarly, energy plans change all the time, so keep an eye on your bill for the next 'best offer' in case a new, and cheaper, deal comes up.

Victorian Default Offer

The Victorian Government has introduced a fair price for electricity called the Victorian Default Offer (VDO).

The VDO is monitored and set by the government every year to act as a fair price for electricity. This does not guarantee it will be the cheapest plan, but it is an option for consumers who aren't able or don't want to shop around for the cheapest energy plan to still feel confident they are paying a fair price.

The price of the VDO is the same no matter which company you buy your electricity from and the quality and reliability of your electricity does not change with the VDO.

If you change energy plans to the VDO, you will stay on this price until you ask to move to a different energy company or a different plan. The government will continue to monitor to make sure you pay a fair price for electricity.

How to access

Ask your energy company to move to the VDO.

If you don't do anything at the end of your existing electricity contract you will automatically be put on to the VDO.

Tips for saving money on energy bills

There are also ways that consumers can save money on energy costs at any time, regardless of eligibility for concessions and other support arrangements.

Shop around at least once a year

Energy customers should reconsider their energy offer at least once a year, as energy offers change regularly. Victorian Energy Compare is a great place to start. You should also call your current retailer annually to ask if they have any cheaper offers available that are better suited to your energy use and household needs.

Read and understand your bills

Every energy retailer's billing format is different, however, there are key details in all bills that are generally the same. Familiarise yourself with your bills so that you can easily find these details, and understand how much energy you are using, and what you are paying for it. Take note of:

- **The billing period:** This is the period covered by your bill.
- **Average daily usage:** This is how much energy you used on average, per day, during the billing period. It's measured in kilowatt hours (kWh) for electricity, and megajoules (MJ) for gas.
- **Daily supply charge:** This is a fixed charge for the supply of energy to your property. It is charged to you regardless of how much energy you use.
- **Usage charge/s:** This is based on the actual amount of energy you use. On your bill, you will be charged by as cents per kilowatt hour (c/kWh) for electricity, and/or cents per megajoule (c/MJ) for gas.

Consider what makes a good offer

What makes a "good" offer differs from household to household. This is because every household is unique and consumes energy differently. Factors including the number of people living in your home, the number of rooms you have, the types of appliances you use, the way you heat and cool your home, and if you have solar will all effect what makes a good offer for you. There is no one standard of "good" when it comes to energy offers and using Victorian Energy Compare is a great way to find out what offers best suit your specific needs.

Check the conditions of any discounts

Many offers come with discounts. When choosing the right offer for you, be aware of these discounts and consider what conditions they come with. For instance, some discounts only apply to your usage charge, and not your supply charge. Most discounts require you to pay on time, so if you find you often pay late, you might end up paying more than you would on an offer with no discounts.