

DEFAULT LISTINGS

Under the *Privacy Act 1988*, a payment default may be recorded on your client's credit report if they don't pay their utility bill of \$150 or more for at least 60 days after it is due.

The payment default can only be listed with the credit reporting body if:

1. your client was overdue in making a bill payment
2. the utility provider issued your client a written notice to recover the payment
3. the utility provider informed your client that it intends to list a payment default on your client's credit report at the time it asked them to make the overdue payment
4. a second written notice was issued, providing your client with one final opportunity to pay, and advising that, within a period of at least 14 days but no more than three months, it will disclose to a credit reporting body that your client is in default
5. on the date that the utility provider discloses to the credit reporting body that your client is in default, the bill payment is at least 60 days overdue.

However, if your client is in financial difficulty and has requested hardship assistance, they may not list the default during the period that they are considering the request for hardship assistance. If they have decided your client is not entitled to hardship assistance, they have to wait at least 14 days before listing the default. Once a default is added to a credit report, it will remain there for five years, even after the debt is paid. However, if the debt is paid it must be noted on the credit report that the debt was paid in full.

The Energy and Water Ombudsman Queensland is here to help resolve complaints with your energy supplier across Queensland or water supplier in south east Queensland.

FREECALL 1800 662 837

INTERPRETER 131 450

TTY/VOICE 133 677

EMAIL complaints@ewoq.com.au

WEB www.ewoq.com.au

MAIL PO Box 3640
South Brisbane BC QLD 4101

LOCATIONS

Brisbane – Level 16, 53 Albert Street

Rockhampton – Level 2, 209 Bolsover Street

Cairns – Level 1, 15 Lake Street

Essentials for community workers

Energy and Water Ombudsman
Queensland can help.





REPRESENTING MY CLIENT: WHAT INFORMATION DO I NEED?

You will need to get verbal or written authority from your client in order to discuss their account with the retailer or EWOQ. In most cases your client can give this permission by phone or by filling out an Authority to Act form.

PRIVACY

Customers may experience hardship for many reasons. It is not mandatory to advise a retailer of the reasons for the customer's hardship. However, in some cases (eg. loss of employment), the information can be helpful in negotiating an affordable payment plan. You should only provide sensitive information about the customer's circumstances to the retailer with their consent.

CUSTOMER HARDSHIP

Under the National Energy Retail Rules, a retailer must tell anyone identifying as a hardship customer of their Customer Hardship Policy. A copy of the Customer Hardship Policy must be given to the customer on request and at no expense. Under the Water and Sewerage Services Code, a retailer must have a hardship policy available to customers who have the intention but not the capacity to pay their bill.

As part of their hardship policy, most retailers have established special programs to help customers in financial difficulty. These measures aim to:

- protect your client from disconnection
- offer tailored payment plans based on your client's capacity to pay for their energy usage and arrears
- provide energy saving information and audits.

PAYMENT PLANS

When establishing a payment plan with a customer, the retailer must consider:

- the customer's capacity to pay
- any arrears owing by the customer
- the customer's expected consumption needs over the following 12 month period.

Retailers should also offer the customer the option of paying for their electricity, gas or water consumption (in advance or in arrears) by instalment payments. All payment plans should clearly specify the duration of the payment plan, the amount of each instalment, the frequency of instalments and the date by which each instalment must be paid.

Before contacting a retailer to organise a payment plan for your client, determine:

- whether the customer's hardship is short, medium or long term
- whether a financial counsellor's report is needed
- the customer's average bills per quarter
- any arrears owing on current or previous accounts
- what the customer can afford to pay.

You may also find it helpful to read the retailer's hardship policy and find out the eligibility criteria for their hardship program.

MISSED PAYMENTS

After you have negotiated a payment plan for your client it is important to let them know that they need to contact the retailer prior to the instalment due date if they can't make an instalment. If they don't notify the retailer of this, their existing payment plan may be cancelled and they risk disconnection, restriction or debt collection action.

DISCONNECTION

Electricity, gas or water supply can't be disconnected/restricted if:

- someone in the residence uses electricity for medical reasons, or is registered for life support equipment
- it's a Friday, Saturday, Sunday, a public holiday, any day before a public holiday, between 20 and 31 December, or before 8am or after 3pm any other day
- for electricity and gas, the debt is for less than that approved by the Australian Energy Regulator, so long as the customer has agreed to pay that amount
- for water, if the customer's account is less than 1 month in arrears
- if the customer has lodged a complaint, directly related to the reason for the proposed disconnection, to EWOQ

In addition, energy retailers must offer 2 payment plans over 12 months before disconnecting a customer in hardship.

If your client is facing disconnection or restriction:

- contact the retailer to discuss a payment plan
- ask the retailer about their customer assistance program
- check that your client is receiving all applicable rebates
- refer your client to a financial counsellor to help work out an affordable payment plan
- if you are unable to negotiate an affordable payment plan for your client, contact EWOQ.

What can EWOQ do?

- arrange for a hold on an impending disconnection while your client locates assistance or an affordable payment plan is negotiated
- check the retailer has followed the disconnection rules
- try to negotiate reconnection based on an agreed payment plan.