

## Electricity and Gas Network Relief Package

Energy networks are the companies running the poles, wires and pipes that provide electricity transmission and distribution and gas distribution services.

Network charges are levied on energy retailers who then pass them on to customers.

This package covers NSW, Victoria and SA. It is designed to support small businesses, ensure the viability of small energy retailers and incentivise all energy retailers to offer payment plans to households experiencing hardship as a result of COVID-19.

For small businesses that are mothballed as a result of COVID-19, electricity and gas network charges will be rebated for the period 1 April to 30 June 2020. This applies if they normally consume less than 40MWh or 400GJ per annum (based on 2019 consumption) and use less than 25 per cent of their 2019 consumption over the period 1 April to 30 June 2020.

We will defer or rebate electricity and gas network charges to retailers for residential customers who experience hardship in paying energy bills as a result of COVID-19. This will help energy retailers, who administer energy hardship programs, better support impacted customers.

These arrangements will not apply to new customers of retailers that are accepted after 1 April.

Networks are working with retailers to develop transparent and easily administered criteria for the application of the relief package.

1. What size small businesses does the relief package apply to?

Qualifying small business customers are those across NSW, Vic & SA that

- 1) consume less than 40MWh or 400GJ per annum (based on 2019 consumption);
- 2) use less than 25 per cent of historical average consumption for the period from 1 April 2020 to 30 June 2020; and
- 3) have temporarily ceased trading over the period 1 April to 30 June 2020 as a result of COVID-19.

2. Does small business relief apply to not-for profit small organisations?

Yes, if they meet the criteria outlined above.

3. What if a small business completely shuts down during the April to June quarter? Will they get those charges rebated?

For small businesses that shut right down, networks will waive disconnection fees, there will be no energy charges for the period of inactivity and reconnection fees will also be waived.

4. Does the residential customer criteria that the customer is receiving “relevant government benefits as from 1 April 2020” include job keeper as well as other government benefit payments such as job seeker, youth allowance, pension, career allowance?

The residential part of the network relief package aims to support energy retailers so they can better assist residential customers who experience energy bill hardship as a result of COVID-19. Networks will work with individual retailers to determine how retailer systems can best deliver assistance to affected customers. It is not the current intention that the employer-delivered Job Keeper scheme would provide eligibility.

5. Does the customer have to be receiving a government benefit and be on a hardship program for rebate or deferral of charges to apply?

Yes. The residential part of the network relief package aims to support energy retailers so they can better assist residential customers who experience energy bill hardship as a result of COVID-19. Networks are working with retailers to develop transparent and easily administered criteria for the application of the relief package.

6. Why are network charges rebated for residential customers of small energy retailers, but deferred for customers of large retailers?

Managing customer payments is the responsibility of the retailers, this package does not change that. During these extraordinary times, networks are stepping up to assist retailers so they can better support households experiencing energy bill hardship as a result of COVID-19.

Deferral of network charges for large retailers’ customers who go on payment plans or hardship arrangements will encourage these larger and/or government owned energy retailers manage their cash flows and hence better offer hardship programs to affected customers.

Network charges will be rebated for customers of small energy retailers where the customer defaults on their bill as a result of COVID-19 hardship. This is designed to help sustain those smaller retailers, thus allow them to better offer hardship programs to affected customers, as well as preserving retail competition.

7. Does the Network Relief Package cover large users?

Electricity and gas networks fully support the need for the energy sector to play a role to mitigate the economic burden resulting from the COVID-19 crisis. The Network Relief Package has been developed by the network businesses to specifically target residential and small business customers who have been directly impacted by COVID-19. Large commercial and industrial customers are not covered by the Network Relief Package.

We encourage all customers, large or small, who may be experiencing payment difficulties to contact their energy retailer to discuss their circumstances.

8. Will transmission charges also be included in the relief package and how?

The package covers network charges.

For electricity, this will include transmission, distribution, network metering and network jurisdictional charges.

For gas, this will include distribution, network metering and any network jurisdictional charges. Unlike in electricity, gas transmission charges are not included in the network charges gas retailers pay to gas distributors.

9. How do small business customers access the rebate? What is the process?

Networks are working with retailers to ensure customers who qualify for the small business part of the network relief package can be identified as quickly as possible so they can receive bill relief promptly.

The Australian Energy Council, which represents the retailers, has said “It is critical that this package is implemented quickly, with clear guidelines so small business customers can realise the benefits immediately.”

10. How do residential customers access the rebate or deferral? What is the process?

The residential part of the network relief package aims to support energy retailers so they can better assist residential customers who experience energy bill hardship as a result of COVID-19. Customers should contact their retailer to discuss their options.