

## STANLEY VILLAGE: YOU'VE GOT MAIL

After waiting several years, residents of Stanley Village on the outskirts of Moree in NSW are celebrating their first mail delivery from Australia Post.

Stanley Village is an Aboriginal community with approximately 50 houses that is located one kilometre east of the town of Moree in northern NSW (628 kilometres north west of Sydney).

According to a community survey undertaken by Moree Aboriginal Community Consultative Committee in January 2000 there were 1,710 Aboriginal people in Mehi Crescent (an Aboriginal community on the western edge of Moree), Stanley Village and Moree. Mehi Crescent and Stanley Village are former Aboriginal reserves.

**“After negotiations, the campaign has been successful with residents of Stanley Village receiving their first mail delivery from Australia Post in late 2009.”**

In July 2008, Mr Priestly approached the Public Interest Advocacy Centre (PIAC) to help resolve the problem that residents of Stanley Village had to travel to Moree Post Office to collect their mail because Australia Post did not deliver to the community. This was inconvenient and difficult for many because of the lack of public transport in the area. It was also unfair considering most people living in Australia have their mail delivered to their home mailbox. Mr Priestly, a resident of Stanley Village, had asked Australia Post to deliver to Stanley Village, but to no avail.

PIAC contacted Australia Post on Mr Priestly's behalf, reminding it of its Australia-wide community services obligations. After negotiations, the campaign has been successful with residents of Stanley Village receiving their first mail delivery from Australia Post in late 2009.

PIAC also contacted the Moree Shire Council, which agreed to donate money towards the cost of installing household mailboxes for Stanley Village.

PIAC became involved in the matter because of its commitment to advocating for the equal provision of services to remote Aboriginal and Torres Strait Islander communities. It has similarly been involved in work around the provision of potable water supply to rural and remote Aboriginal communities in NSW.

If other communities are experiencing a similar problem they are encouraged to contact PIAC on 02 8898 6500 or e-mail [piac@piac.asn.au](mailto:piac@piac.asn.au).

*Lizzie Simpson, Solicitor*

### Welcome Lou

EWCAP will benefit from the services of a part-time Research & Policy Officer for the next 18 months. EWCAP's permanent staff, Mark and Joel, have been joined by Lou Schetzer who will source and generate evidence to inform EWCAP's submissions and other advocacy work.

Lou has extensive experience as a lawyer, policy officer and manager in the community legal sector and state government departments and is a welcome addition to PIAC and EWCAP.

He will be in the office on Mondays, Tuesdays and Thursdays and can be reached on 02 8898 6516 or at [lschetzer@piac.asn.au](mailto:lschetzer@piac.asn.au).

## IPART ANNOUNCES ELECTRICITY PRICE RISES

Regulated electricity prices are set to soar over the next three years, leading to increased financial hardship for many households. Measures to assist households facing hardship have been announced by the NSW Government, but this will not cover all of the bill increases faced by vulnerable households.

The Independent Regulatory and Pricing Tribunal (IPART) has confirmed that a Country Energy customer with average electricity use can expect to pay an extra \$954 per year. Although some households may not notice an increase of this magnitude, it will be a significant increase for many low-income households and others struggling to keep up with rising mortgage and rental payments.

Affordable energy is key to ensuring that households are not disconnected from supply as a result of an inability to pay. Disconnection from electricity adversely affects the ability of households to undertake basic household functions such as cooking and cleaning, and further disadvantages already vulnerable households. Put simply, the NSW Government has a responsibility to ensure that the lights stay on. If the Government is to accept IPART's recommendations, then it must implement programs to ensure that electricity remains affordable.

The Public Interest Advocacy Centre (PIAC) and other community groups have been agitating for an extension of the Energy Rebate to all Commonwealth Health Care Card holders. This would see an end to the policy that, whilst benefiting pensioners, excluded many who live on lower incomes. PIAC has also advocated for the Energy Rebate to be indexed to energy prices.

In response to the IPART announcement of rising prices, the Minister for Energy, The Hon John Robertson, recently announced that the Energy Rebate will be extended to all Commonwealth Health Care Card holders and that the rebate will be indexed to energy price rises. PIAC commends the Government on implementing these measures, which will provide much-needed assistance. Many households will, however, still feel the financial pinch from rising prices. As a matter of priority, the NSW Government must act now to allocate the funds promised in mid-2009 for financial counselling. Financial counselling is an effective way to assist people to manage their bills and debts, but waiting times for appointments can run into weeks and the financial counselling sector is grossly under-funded. This promised allocation of funding can be delayed no longer and must be put where it is most effective: in community welfare organisations providing services to the community.

The annual number of electricity disconnections in NSW has remained high over the last few years at around 18,500. Given recent increases in unemployment and steeply rising energy bills there is a very real possibility that the disconnection rate will climb higher. In order to prevent this or, more optimistically, lower the disconnection rate, it is important for the NSW Government to work co-operatively with energy retailers and the community sector to develop responses that promote the best interests of vulnerable households. Significantly, the rising energy prices remind us why the NSW Government should not accept a National Energy Customer Framework unless it builds further on the protections already enjoyed by NSW consumers.

*Joel Pringle, Policy Officer*

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## NATIONAL ENERGY CUSTOMER FRAMEWORK

In November 2009, the Ministerial Energy Council (MCE) Standing Committee of Officials released the Second Exposure Draft of the National Energy Customer Framework (the Second Exposure Draft), the package of proposed regulations that transfers responsibility for many energy distribution and retail functions, such as billing, contracts, and disconnections, to the national level. These functions are presently covered by state-based legislation.

PIAC welcomes some of the amendments found in the Second Exposure Draft. In response to consumer concerns that the objective of the National Energy Retail Law (NERL) did not adequately serve the interests of consumers, the MCE added a clause to the objective that suggests it is not to be viewed to prevent or restrict the development and application of consumer protections for small customers.

The Second Exposure Draft also proposes that retailers give customers who are obliged to pay security deposits, because of existing debts or poor credit histories, the opportunity to pay these deposits through payment plans.

Moreover, it stipulates that retailers must issue 'disconnection' warning notices to customers before implementing this course of action. The First Exposure Draft proposed using the absurd term 'de-energisation' in place of the well-understood term 'disconnection'.

Acknowledging this progress, significant issues remain for NSW households.

Though, as noted, the NERL objective has been improved, PIAC remains unconvinced that it adequately meets the needs of consumers and recommends that it be redrafted to reflect that consumer interests are served when energy is provided in a fair and sustainable manner. Failing this, the reference to consumer protections for small customers must remain as part of the NERL objective as opposed to being relegated to a second reading speech as has been suggested by energy retailers.

PIAC is also concerned that the Second Exposure Draft introduces shortened collection cycles. That is, where customers have been late paying

their bills on successive occasions, NSW retailers will no longer have to comply with notification requirements before commencing disconnection proceedings. PIAC believes that this will increase the incidence of energy disconnections for NSW customers who cannot afford to pay their bills and strongly objects to this provision.

The Second Exposure Draft also proposes that energy companies must only read customer energy meters once every 12 months. This means that, each year, three out of four quarterly energy bills received by customers could be based on an estimation of the energy consumed rather than the actual energy used during the period. PIAC is concerned that some customers will receive consecutive bills based on an underestimation of usage followed by a higher than anticipated bill, to offset the underestimations, once the meter has actually been read. In some cases, customers will experience difficulty paying these unexpectedly larger bills. To minimise the likelihood of such adverse outcomes, the National Energy Customer Framework (NECF) must oblige retailers to physically read customer meters at least every six months, as is currently the case in NSW.

PIAC also argues that hardship provisions must be enhanced. The NECF must provide that, at a minimum, customers experiencing hardship are offered: a review of their energy tariffs to ensure they are benefiting from the most appropriate tariff; an audit of their energy use and, where appropriate, assistance to manage future use; referral to local community services offering support with energy bills; and payment plans that include access to Centrepay. PIAC acknowledges that some retailers already offer such support but considers that, without these set out as minimum obligations within the NECF, others are likely to offer second-rate hardship programs to customers experiencing difficulty paying their bills.

PIAC strongly believes these and other amendments to the NECF are necessary to ensure appropriate outcomes for NSW energy customers and will continue to urge the NSW Minister for Energy and representatives from Industry & Investment NSW to press for these enhancements in NECF negotiations with other jurisdictions.

*Mark Ludbrooke, Senior Policy Officer*

## RESIDENTIAL PARK RESIDENTS AND ACCESS THE ENERGY ACCOUNTS PAYMENT ASSISTANCE (EAPA) SCHEME

There are an estimated 40,000 permanent residents of residential parks in NSW, with approximately 25,000 park sites in the 950 parks in NSW being used for permanent occupancy. These permanent park residents are often disadvantaged in their ability to access social support and financial assistance to pay their electricity bills. In particular, permanent park residents are not able to access the Energy Accounts Payment Assistance (EAPA) Scheme.

The EAPA Scheme is a NSW Government program designed to provide financial assistance through EAPA vouchers to people who are financially disadvantaged and experience difficulty paying their home gas and/or electricity bill because of a crisis or emergency situation. The Scheme is aimed at helping people in these situations to stay connected to essential energy services. It is funded by Industry & Investment NSW.

Park residents are excluded from the EAPA Scheme because EAPA vouchers can only be issued to customers who present bills from standard retail suppliers of energy. As many park residents are required to purchase their electricity from the park owner under their tenancy agreement, they are not and cannot be customers of the standard retailers. They therefore do not receive bills from a retailer, which would enable them to access EAPA.

The lack of access for park residents to the EAPA Scheme is particularly serious given their vulnerability to losing their homes if they fail to pay their electricity bills. Unlike the general community, park residents who fall into arrears with their energy payments will be in breach of their tenancy agreements and vulnerable to eviction. Many of these residents, while renting their park sites, actually own their dwelling, which they stand to lose if evicted.

In addition, many permanent residents of residential parks face considerable socio-economic hardship, with an estimated 42 per cent aged over 55, and approximately 62 per cent of households living in residential parks earning less than \$500 per week.

Given the significant increases in electricity charges over the next three years predicted by the Independent Pricing and Regulatory Tribunal (IPART), the need to develop an effective way for park residents to access EAPA or a similar scheme has become pressing.

According to NSW Parks and Village Service (PAVS), park residents' exclusion from access to EAPA cannot be justified for the following reasons:

- Park residents who are charged for electricity have separate electricity meters.
- Park residents are required to pay both electricity consumption charges and electricity availability charges/access charges.
- Park residents are issued with accounts that provide the same information that is provided by the standard electricity retailers.
- Park residents pay electricity tariffs at the same rate as charged by the local standard electricity retailer.
- Park residents suffer the same price shocks as the general community.

In addition, most residential park tenancy agreements require any monies paid to the park owner as rent to be first allocated to other charges, such as electricity. This means that a park resident will be less able to produce an unpaid electricity account. In addition, the resident will be vulnerable to eviction on the basis of unpaid rent.

In order to address this inequity for people who live in residential parks, PIAC is proposing that Industry and Investment NSW establish a working party with representatives of PAVS, PIAC, the Energy and Water Ombudsman of NSW (EWON), Council of Social Service of New South Wales (NCOSS), National Seniors Australia (NSA) and Combined Pensioners and Superannuants Association of NSW (CPSA) to develop appropriate options for implementation of an EAPA scheme accessible to permanent park residents.

*Louis Schetzer, Policy & Research Officer*