



## DISCONNECTION AND RESTRICTION FOR DEBT

Information for residential and small business customers

Disconnection or restriction of your supply is a very serious step for your company to take. This fact sheet will help you understand your rights and responsibilities and the assistance which may be available to you.

**Disconnection of your electricity or gas supply, or restriction of your water supply, is a last resort for your company. There are rules about what it must do before it takes this action.**

### The difference between energy and water

Electricity and gas companies can disconnect your supply—that means cut it off altogether.

For health reasons, your water corporation will not cut your water off—but it can limit the amount of water that you receive. When we talk about supply disconnection in this fact sheet, we mean water restriction for debt too.

### Disconnected? Facing disconnection?

#### What you need to do

Ring the company that sends your bills straight away. Ask what you have to do to be reconnected or to avoid being cut off or restricted.

You will probably be asked to pay part of what you owe. If you can't afford to pay the amount the company wants, ask about its hardship program.

You should be able to work out a payment plan that is affordable based on your capacity to pay.

Setting up a payment plan may be harder if you've had payment plans before and they haven't worked.

If you can't work something out with the company, ring EWOV.

### What are the rules?

**Your rights and responsibilities—and those of your company—are set out in energy and water codes.**

For electricity and natural gas, it is the [Energy Retail Code](#). For metropolitan and regional urban water, it is the [Urban Water Customer Service Code](#).

Basically, this is what has to happen:

- The electricity or gas company must send you a **bill**. For Standard Retail Contract customers, energy bills must give you at least 13 business days to pay. Market Retail Contract customers will have the pay-by timeframe and terms set out in the contract. Water bills must give you at least 14 calendar days.
- The company must send you a **reminder notice**, unless you are on a shortened collection cycle.
- The company must send you an **energy disconnection or water restriction warning notice**. This notice must include EWOV's contact information.
- If you haven't paid because you don't have enough income, the company must consider how much you can afford to pay.
- If you have a Smart Meter, the company needs to tell you that it can disconnect your electricity supply remotely.
- Have you received a letter addressed 'to the occupier'? Open it. If you ignore these letters you may be disconnected from supply. Call the company to discuss why your name is not on the account.

**Note:** The [Energy Retail Code](#) only applies to customers who use less than 40MWh of electricity or 1,000GJ of gas per year.

### Tips for customers

You should contact your company as soon as possible if you think you may not be able to pay your bill by the due date. If you don't tell the company, it won't know, which may result in collection activity or disconnection.

If you know you may have difficulty paying, it's much better to ring early on to make some other payment arrangements.



## When are disconnections and restrictions not allowed?

There are some times and situations when your company isn't allowed to disconnect you for not paying:

- On a Friday, the weekend, a public holiday or the day before a public holiday.
- For residential customers, before 8am or after 2pm on a business day, or after 3pm for business customers.
- Between 20 December and 31 December (for energy only).
- If someone in your household depends on life support equipment.
- If you've applied for a Utility Relief Grant rebate and a decision on that hasn't been made.
- If you have made a related complaint to EWOV and it is not yet resolved.
- If you owe less than \$120 excluding GST and have been paying your bills.

Your water can't be disconnected (restricted) if it's a total fire ban day.

## What if your company doesn't follow the rules?

In Victoria, if your energy company hasn't followed the rules in disconnecting your electricity or gas supply, it must pay you a Wrongful Disconnection Payment (WDP).

The WDP is \$500 a day (for disconnections after 1 January 2016, or \$250 per day prior to 1 January 2016) – or part of that amount for part of a day. It doesn't apply to restriction of water. **You need to contact your company within 14 days after the disconnection**, otherwise the WDP amount will be capped at a maximum of \$3,500.

Water customers may be eligible for a Guaranteed Service Level (GSL) payment of \$300 if your water corporation hasn't complied with all of the rules required of them before restricting your supply.

If you think your electricity, gas or water was disconnected or restricted wrongfully, contact your company. If you can't sort it out you can ring EWOV.

## Other financial assistance

There are government concessions. There's also a Utility Relief Grant that you can apply for to help with an unexpected high bill or a change in your circumstances. Your energy company can assist you with energy efficiency tips and information about financial counsellors.

There's more about other sources of help in EWOV's [Fact Sheet 7: Energy and water payment difficulties](#).

## Getting reconnected

Call your company within 10 business days of disconnection. Once a payment agreement is in place, or you've applied for the Utility Relief Grant Scheme or there is no longer a reason for your supply to be disconnected, the company must reconnect your energy supply on the same day as long as it's requested before 3pm. If it's after 3pm, it will be the next business day.

For safety reasons, the mains switch needs to be turned to the "off" position to have electricity reconnected.

For safety reasons, a person over the age of 18 needs to be at the property to have gas reconnected.



### Checklist

Don't know where to start? This checklist may help.

#### Things you can do:

- Have you received a bill, reminder notice and disconnection warning before being disconnected or restricted?
- If you experienced payment difficulties have you discussed them with your company?

#### Talking to your company:

- If you have been disconnected or restricted, call your company to advise them, set up a payment plan and ask for reconnection or de-restriction.
- Think about what you can afford on a regular basis to pay for the arrears on your account.
- Ask your company to assess whether a Wrongful Disconnection Payment or Guaranteed Service Level payment applies in your case.

#### Contacting EWOV:

- If you can't sort out the problem with your company directly, contact EWOV.
- Have **all your details ready**, including bills, reminder notices, disconnection warnings and your own notes.