

Stressing over bills is wasted energy

SALVATION ARMY MONEYCARE FINANCIAL COUNSELLOR MARIA TURNBULL EXPLAINS HOW TO NEGOTIATE PAYMENTS WITH UTILITY COMPANIES.

AS THE COST of energy continues to rise, many people may experience difficulties paying gas, electricity or water bills. If you find yourself in this situation, it pays to act quickly.

Many utility companies (businesses that supply gas, electricity and water) have hardship policies to support those who have are experiencing unexpected financial hardship. It is very unlikely your service will be disconnected if you keep your supplier informed of your circumstances.

Explain financial difficulties and ask to speak to a specialist team member; names of the support teams vary so mention 'financial hardship' and you should be referred to the right place. Financial hardship refers to the situation where a consumer wants to pay bills but may not be able to afford to do so.

How can the utility company help?

You can usually negotiate flexible payment arrangements directly with the utility company or get help from a financial counsellor. Utility companies may offer people experiencing financial hardship payment plans that are likely to be affordable for current circumstances.

Payments usually cover current usage as well as an amount towards the arrears. These payments can often be made online, at the post office or, if on a Centrelink benefit, by Centrepay (a free service provided by Centrelink to automatically make payments to a company).

Utility companies also provide advice about any concessions and grants that may be available to consumers who are experiencing financial hardship. Concessions for gas, electricity, water and sewerage costs are available to holders of health care and pension card holders.

Disconnection

Providing you stay in contact regularly with your utility provider and explain your circumstances they are unlikely to disconnect your supply and your non-payment will not appear on your credit report.



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There are a number of steps between a missed payment and disconnection. If gas, electricity or water bills are not paid on the due date, it is usual for a reminder notice to be sent, then a disconnection warning.

If no payment has been made by the due date, a formal warning that provides seven days' notice of the utility company's intention to disconnect supply will usually be sent. In most states and territories, utility companies can disconnect a consumer's supply without the need for a court order.

This means utility debts should be treated as a priority debt during a period of financial hardship. Re-connection charges also apply, and consumers with a poor history of payment or previously bankrupt, may be asked to pay a security deposit when they sign up for a new connection.

If you are a holder of concession card you are entitled to a concession discount on your utility bills all year round. It is important you contact your provider and provide them with your new concession card details each year as and when it is issued.

Financial counsellors can assist if you think there is anything that may be wrong with your energy bill. Seeking help from a financial counsellor sooner rather than later can assist in explaining the processes that are available if delay in payment of utility bills is being experienced by anyone.

Next article: telephone and internet issues.