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Paper bill fees: Energy retailers under fire over 'unfair' charges

KAREN COLLIER, CONSUMER REPORTER, Herald Sun October 7, 2017 7:00pm



THE state government is facing calls to ban energy providers from charging customers for posted paper bills and over-the-counter payments.

Hundreds of thousands of households are being gouged with unfair fees as utilities costs soar, critics claim.

Energy giants AGL, Origin Energy and EnergyAustralia are among retailers that charge some consumers who opt for posted rather than electronic statements. Their fees range from \$1.69 to \$1.75.

Exemptions include concession, hardship and other vulnerable customers.

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Consumer Action Law Centre CEO Gerard Brody.

Over-the-counter payments at Australia Post cost from \$1.91 to \$2 for some customers.

"These sort of fees are unjustified and erode community trust. It just looks like they're trying to get you at every turn," Consumer Action Law Centre chief Gerard Brody said.

Energy companies say they are recovering costs.

The push to scrap the charges comes as AGL forecasts record underlying profit — which strips out one-offs such as writedowns — of as much as \$1.04 billion this financial year.

Underlying profit in Origin's retail arm is tipped to reach up to \$1.8 billion.

EnergyAustralia's operating earnings for the six months to this June were \$122 million.

The NSW government recently announced plans to abolish such fees as part of an energy bill relief package for cash-strapped customers.

The Victorian government said it was considering a range of options in response to an independent review into energy retailers.



Critics of paper bill fees say the charges are an added insult. Picture: iStock

Keep Me Posted, a campaign that includes printing and community organisations, said the paper bill fees seemed steep.

"We estimate that the average cost to billers to produce and send an invoice is about 90c-\$1," Keep Me Posted executive director Kellie Northwood said.

"We are calling for legislative reform for a ban. People are struggling with higher energy bills and these fees add insult to injury."

Origin said almost half its national customer base had e-billing accounts. It added: "wherever possible, we apply fees and charges on a user pays basis, which keeps power prices lower for all other customers".

EnergyAustralia and AGL said fewer than half their customers paid for paper bills.

EnergyAustralia said postage costs alone had risen 50 per cent in the five years before the fee's introduction last year.

"We can't continue to absorb printing and distribution chain expenses without it adding to the pressure on electricity prices," it argued.

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