



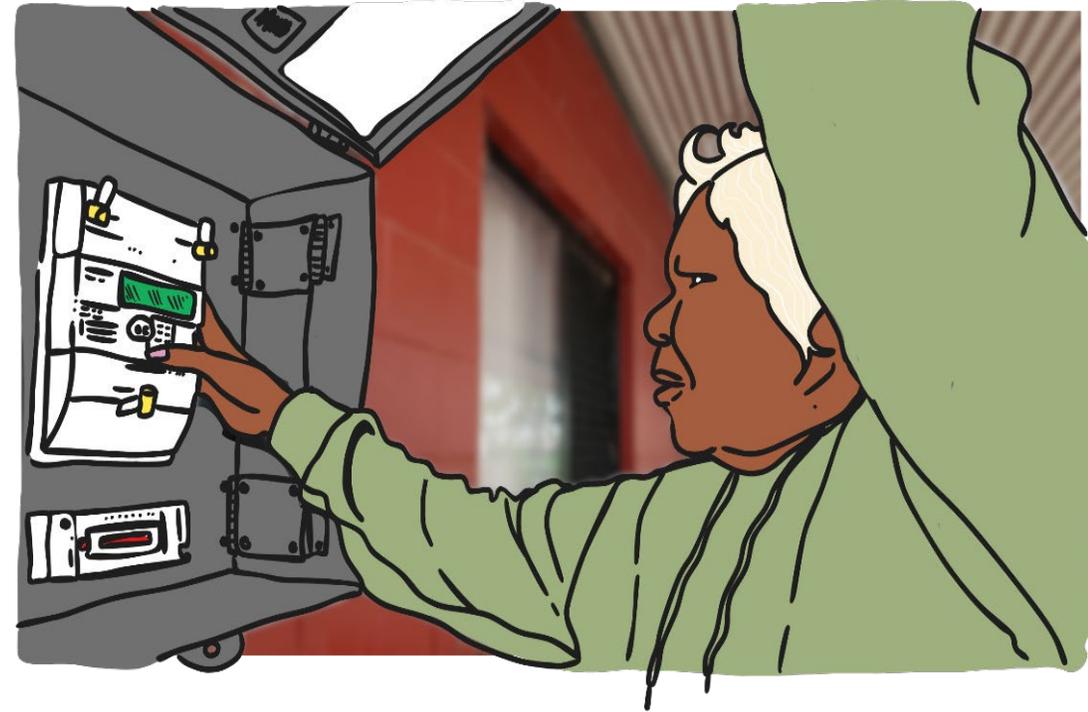
THE RIGHT TO POWER

KEEPING FIRST NATIONS COMMUNITIES ON PREPAYMENT CONNECTED.

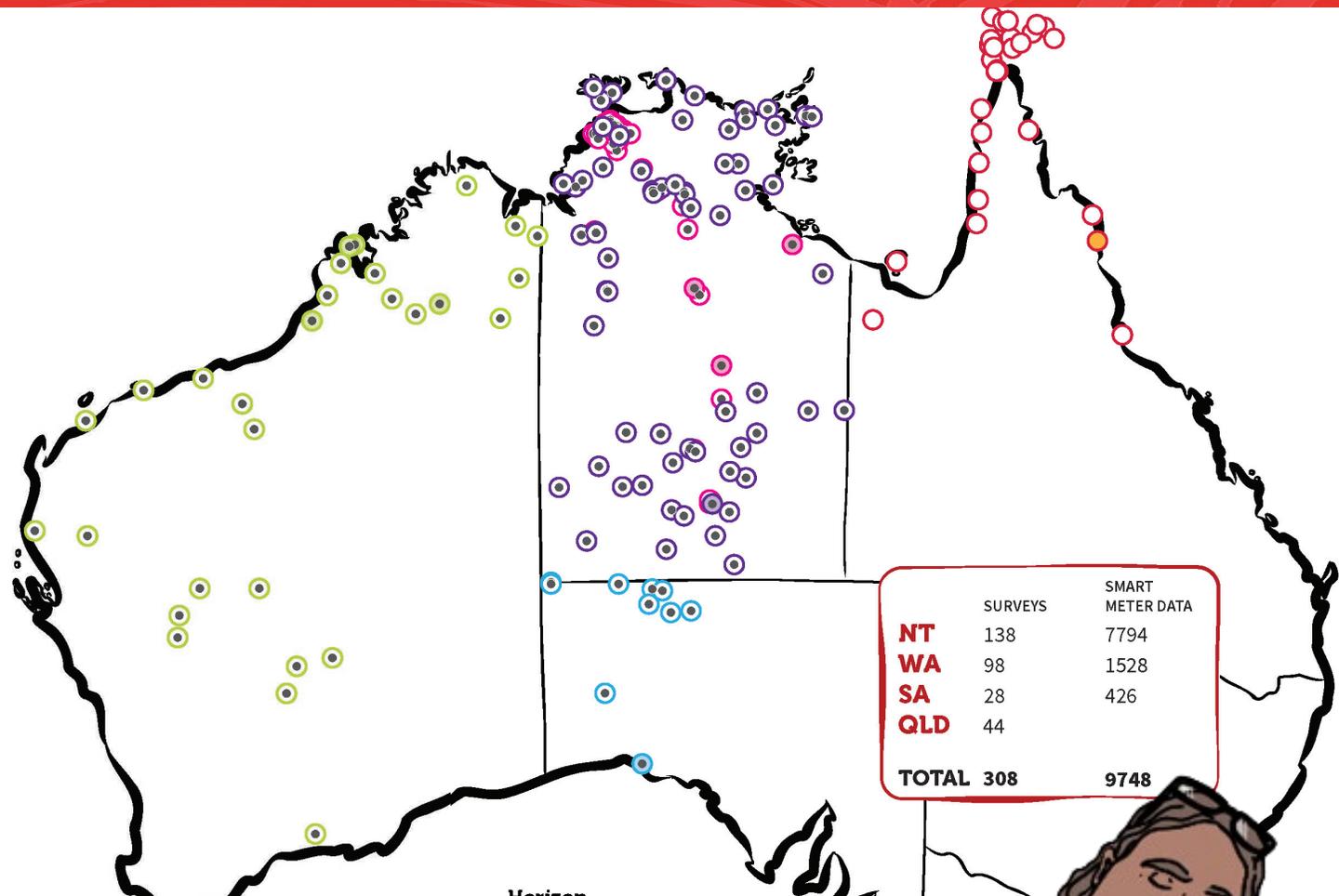
Australian First Nations' households and communities accessing electricity through mandated prepayment arrangements are among the world's most energy insecure.

Frequent, long-duration disconnections — combined with an absence of consumer protections and hardship support standards — are impacting food security, health, wellbeing and economic participation for First Nations prepayment customers.

This research shines a national spotlight for the first time on the previously hidden experiences of First Nations' households using prepayment. It charts a path towards energy inclusion for all Australians and provides community-led solutions to keep prepayment customers connected to energy.



THE RIGHT TO POWER KEEPING FIRST NATIONS COMMUNITIES ON PREPAYMENT CONNECTED.



- Cowell Electric**
- Smart meter data and household surveys
 - Smart meter data only
- Ergon Energy'**
- Community with card-operated meters
 - Household surveys only

- Horizon**
- Smart meter data and household surveys
 - Smart meter data only
- Jacana**
- Smart meter data and household surveys
 - Smart meter data only
- PWC IES**
- Smart meter data and household surveys
 - Smart meter data only

- Prepayment operates as the default or mandated electricity supply arrangement across Far North QLD, the Northern Territory, WA's Kimberly region and parts of SA's APY lands and Far West Coast.
- Over 15,000 households and approximately 65,000 First Nations energy customers across Australia.**
- Prepayment disrupts household energy access by **privatising the risks of disconnection** within vulnerable communities.
- A lack of regulatory reporting requirements on retailers and governments mean it remains an under-examined area of Australian energy policy.
- Many low-income households indicate a preference for prepayment compared to post-pay systems**, weighing the burdens of 'self-rationing' and 'self-disconnection' due to an inability to pay **against the threat of bill shock and associated penalties.**



* Qld locations sourced from: White, L. V., Riley, B., Wilson, S., Markham, F., O'Neill, L., Klerck, M., & Davis, V. N. (2024). Geographies of regulatory disparity underlying Australia's energy transition. *Nature Energy*, 9(1), 92-105., <https://doi.org/10.1038/s41560-023-01422-5>.

RESEARCH DESIGN

We built an unprecedented picture of electricity usage, expenditure, and disconnection events for prepayment customers.

Research partner Western Sydney University analysed electricity use data and disconnection events for 9,748 prepayment customers in NT, WA, and SA, representing 65% of prepayment customers in Australia.



Comprehensive
retailer data analysis

Over 300 prepayment household surveys completed
across the NT, WA, SA and Far North QLD¹

Service provider
surveys²

Better understand, and
recommend, community-led
solutions to keep prepayment
customers connected.

Seek feedback on energy affordability and
access challenges and identify the types of
policy and program support that would assist
customers to avoid disconnection.

Explore how organisations
identify and support people
using prepayment.

¹ a multi-region collaboration with First Nations' research partners in each prepayment jurisdiction.

² with retailers, regulators and First Nations and consumer advocacy organisations.

OVERVIEW OF DATA COLLECTED

Survey sites

Northern Territory 138 surveys

LOCATIONS: Amoongana, Borroloola, Marlinja, Tangentyere Town Camps, Tennant Creek

Western Australia Kimberley **98** surveys

LOCATIONS: Ardyaloon, Bidyadanga, Djarindjin, Fitzroy Crossing, Lombadina

Queensland 44 surveys

LOCATION: Wujal Wujal

South Australia 28 surveys

LOCATION: Yalata

Number of smart meters

Most recent 12 months of data received:

South Australia 212

Western Australia 1,516

Northern Territory 7,150

Service provider surveys

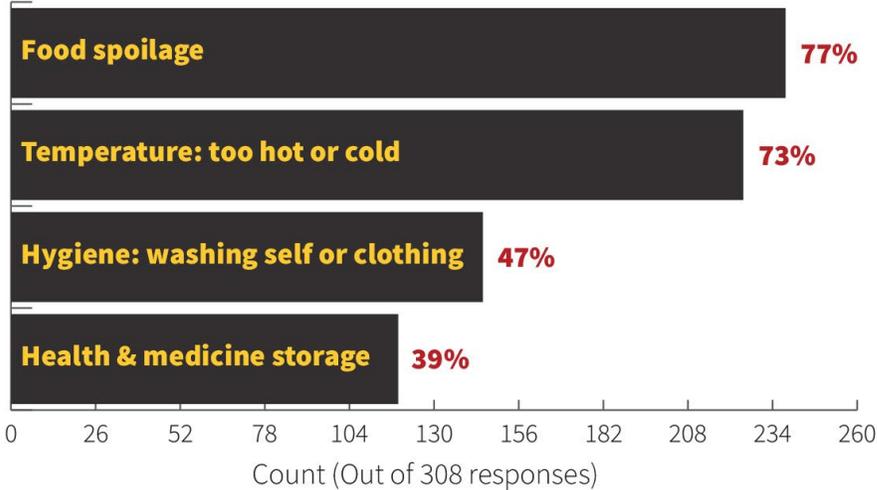
13 organisations that had representatives who participated in a one-on-one or group interview were:

- Australian Energy Market Commission
- Central Australian Women's Legal Service (CAWLS)
- Central Land Council
- Ergon Energy Retail
- Horizon Power
- Indigenous Essential Services
- Northern Territory Council of Social Service
- Northern Territory Legislative Assembly
- Power and Water Corporation
- Queensland Council of Social Service
- South Australia Council of Social Service
- South Australia Department for Energy and Mining (DEM)
- Yalata Anangu Aboriginal Corporation.

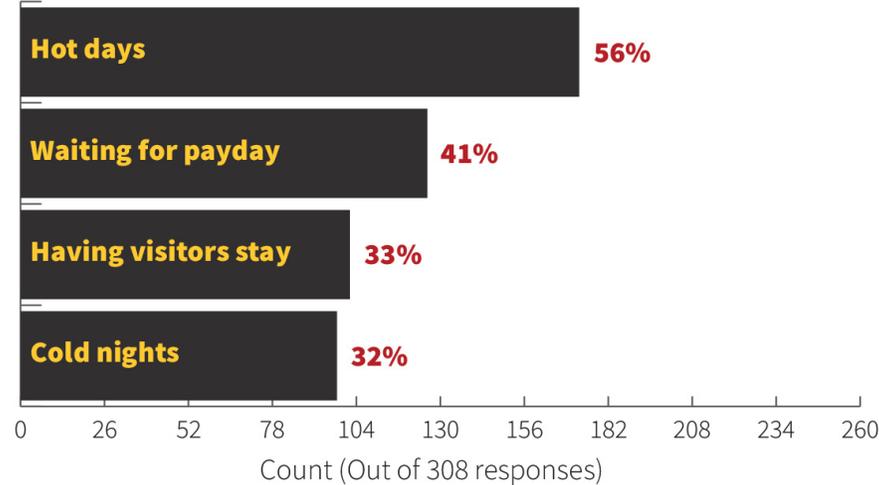


HOUSEHOLD SURVEY RESULTS

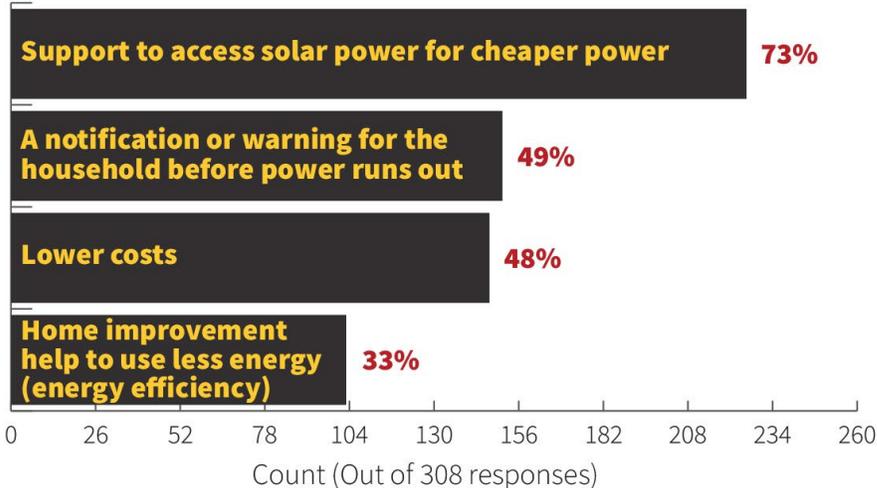
Impact of running out of credit & suffering de-energisation



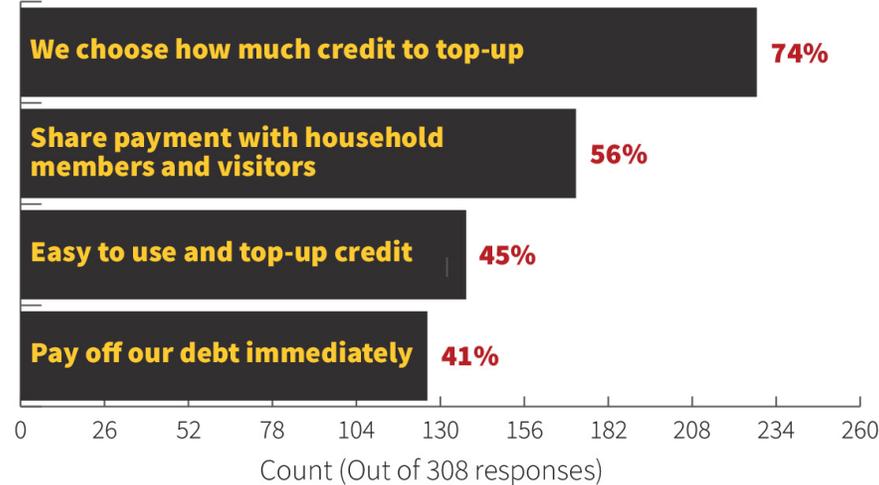
Times when households find it hard to stay connected to power



Changes to improve access to electricity

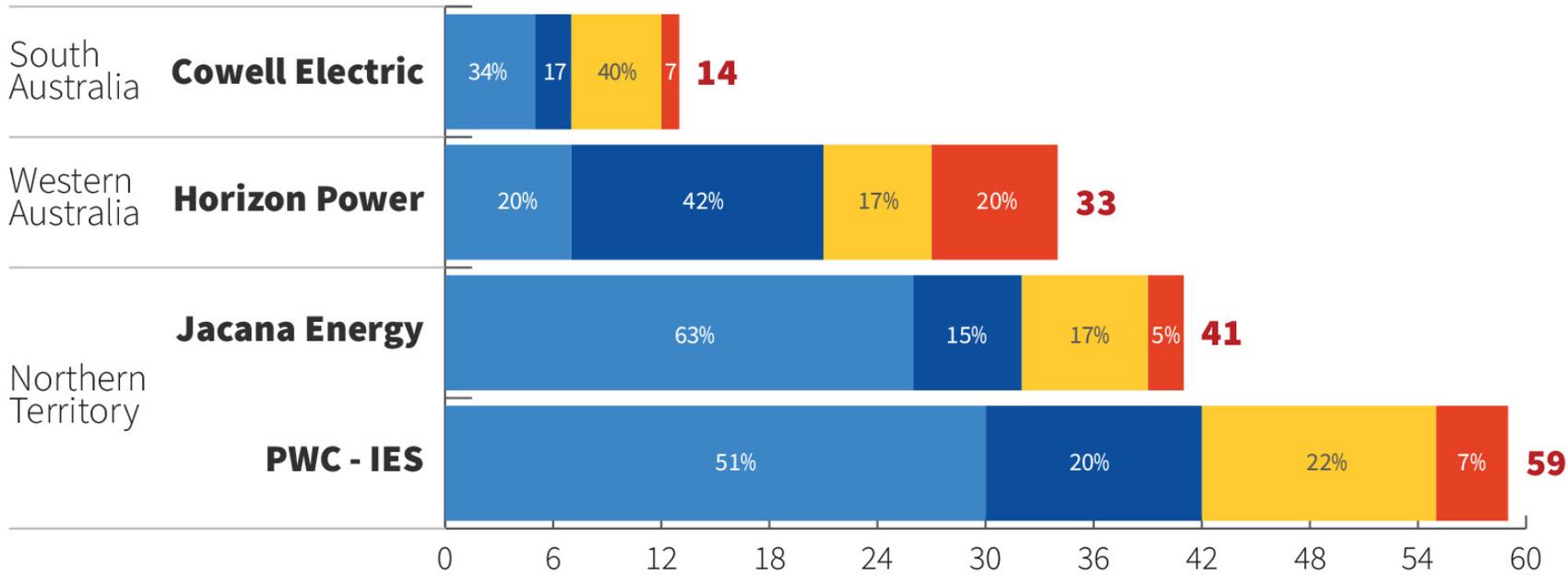


Features that people valued



DISCONNECTIONS IN A YEAR – HOUSEHOLD AVERAGE

Average number of disconnection events per year



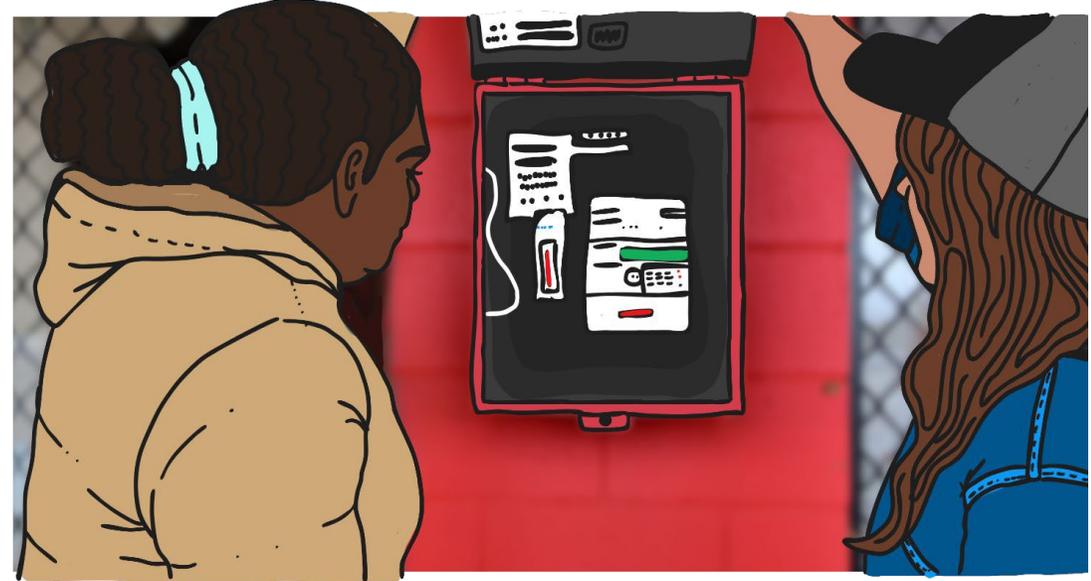
14-59 Disconnections per year

- Same day - less than 1 hr
- Same day - 1 to 2 hrs
- Same day - 2 hrs or more
- Multiple days

SOUTH AUSTRALIAN PREPAYMENT ROLL-OUT

Prepayment has been set up in different ways across Australian energy jurisdictions - and its function differs based on regulations, contractual requirements, or retailer decisions, resulting in different outcomes for communities and customers. In South Australia the recent roll-out with the following outcomes:

- **Tariff is lower** – 10 cents per kWh compared to 31 cents per kWh (in the NT) .
- **Fewer people have experienced a disconnection:**
 - 64% in the SA HH survey said that they hadn't disconnected often,
 - only about 50% of smart meters had registered a disconnection.
- **But some do experience disconnection:**
 - 29% in the SA HH survey said that they experienced disconnection weekly/fortnightly.
- **Concessions are automatically applied.**
- **Direct debits are possible** - from both Centrepay and salary (39% used these options).

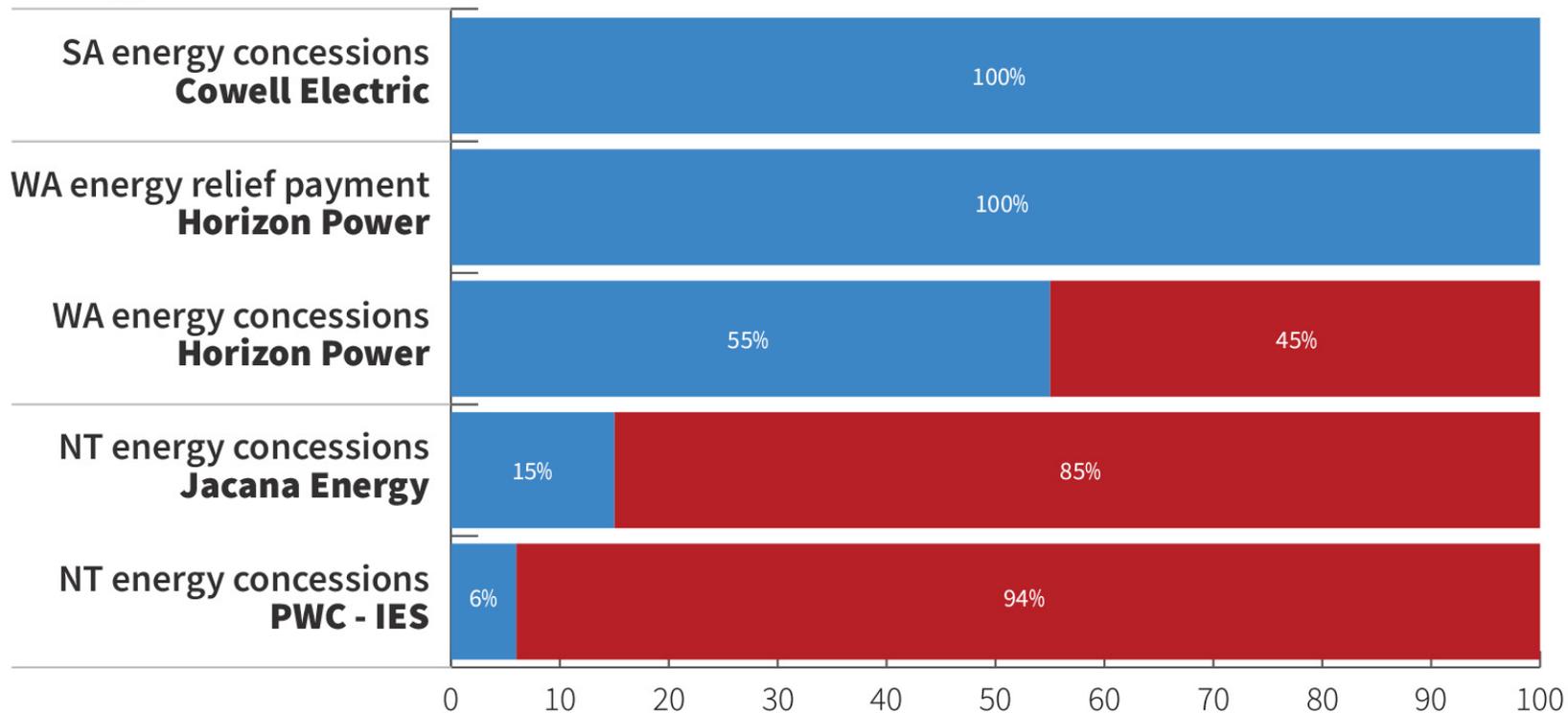


- **When disconnections did occur, then the same concerns were mentioned:**
 - Hot or cold temperatures (46%),
 - Food spoils (43%).



CONCESSION GAP

Households receiving State/Territory energy concessions

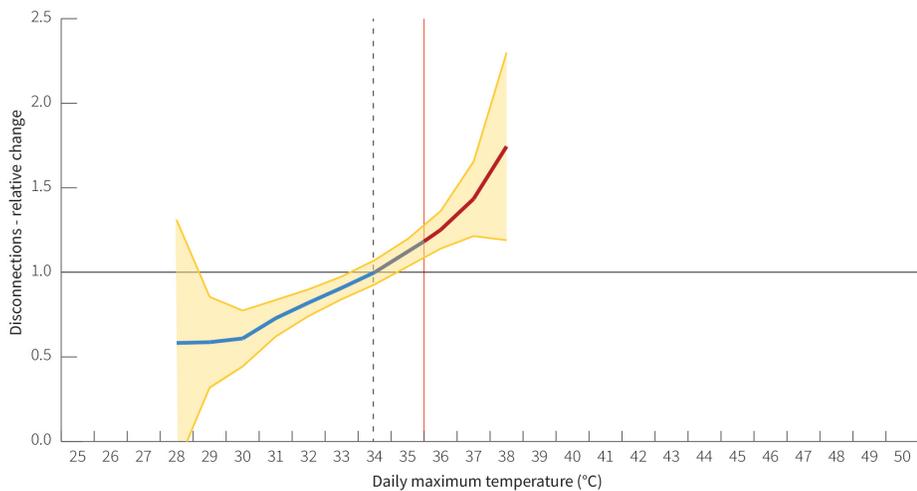


- Percent of households receiving State/Territory energy concessions
- Concessions gap - assuming concessions are universally applied

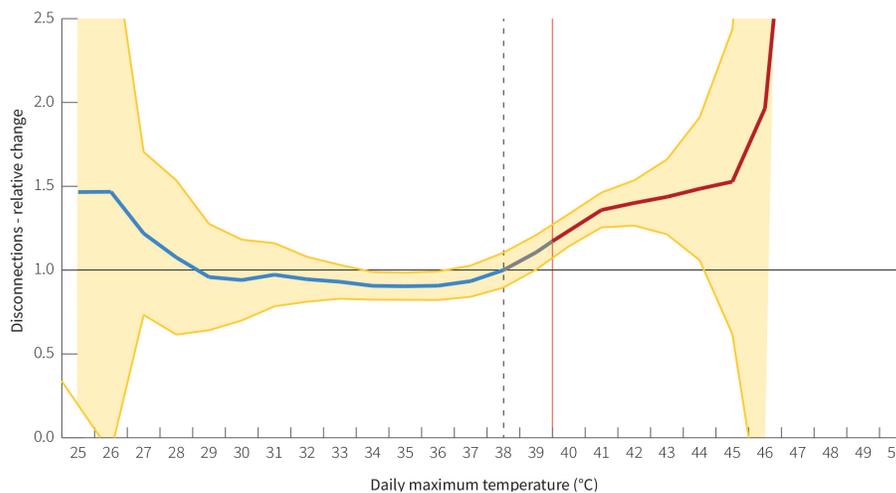
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NT equatorial areas

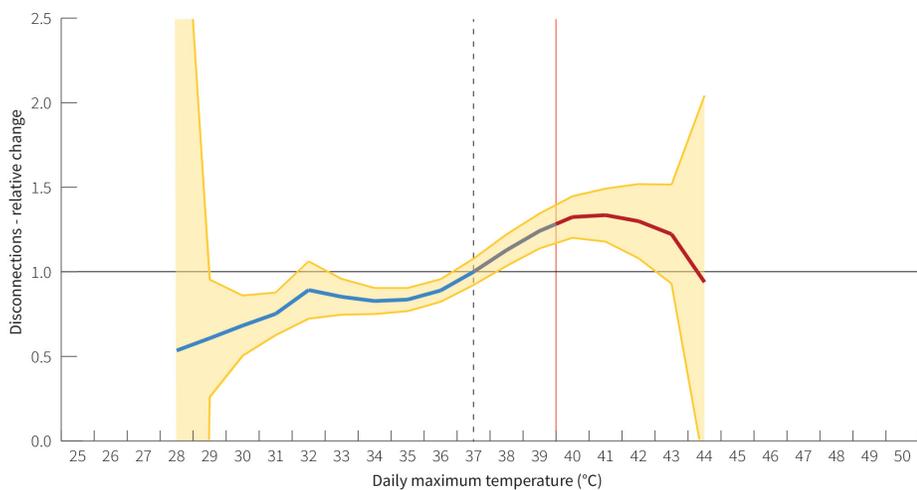


NT grassland areas

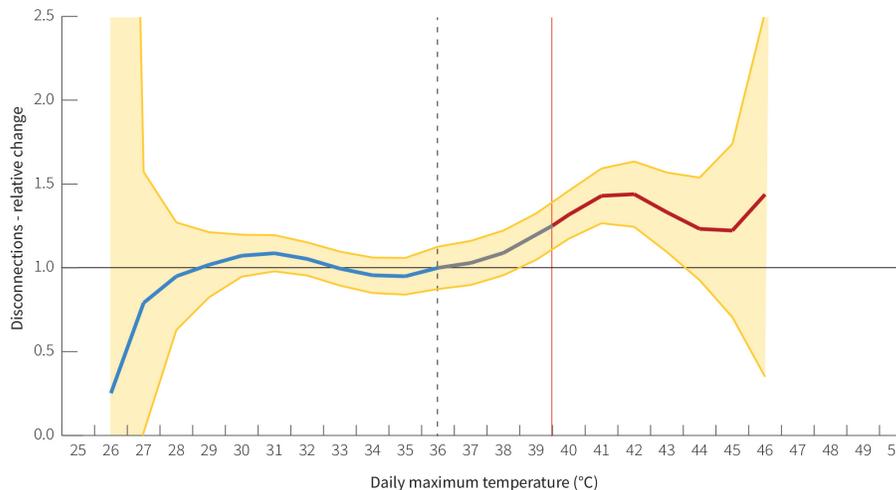


EXTREME HEAT AND DISCONNECTIONS – BY CLIMATE ZONE

NT tropical areas



NT arid areas

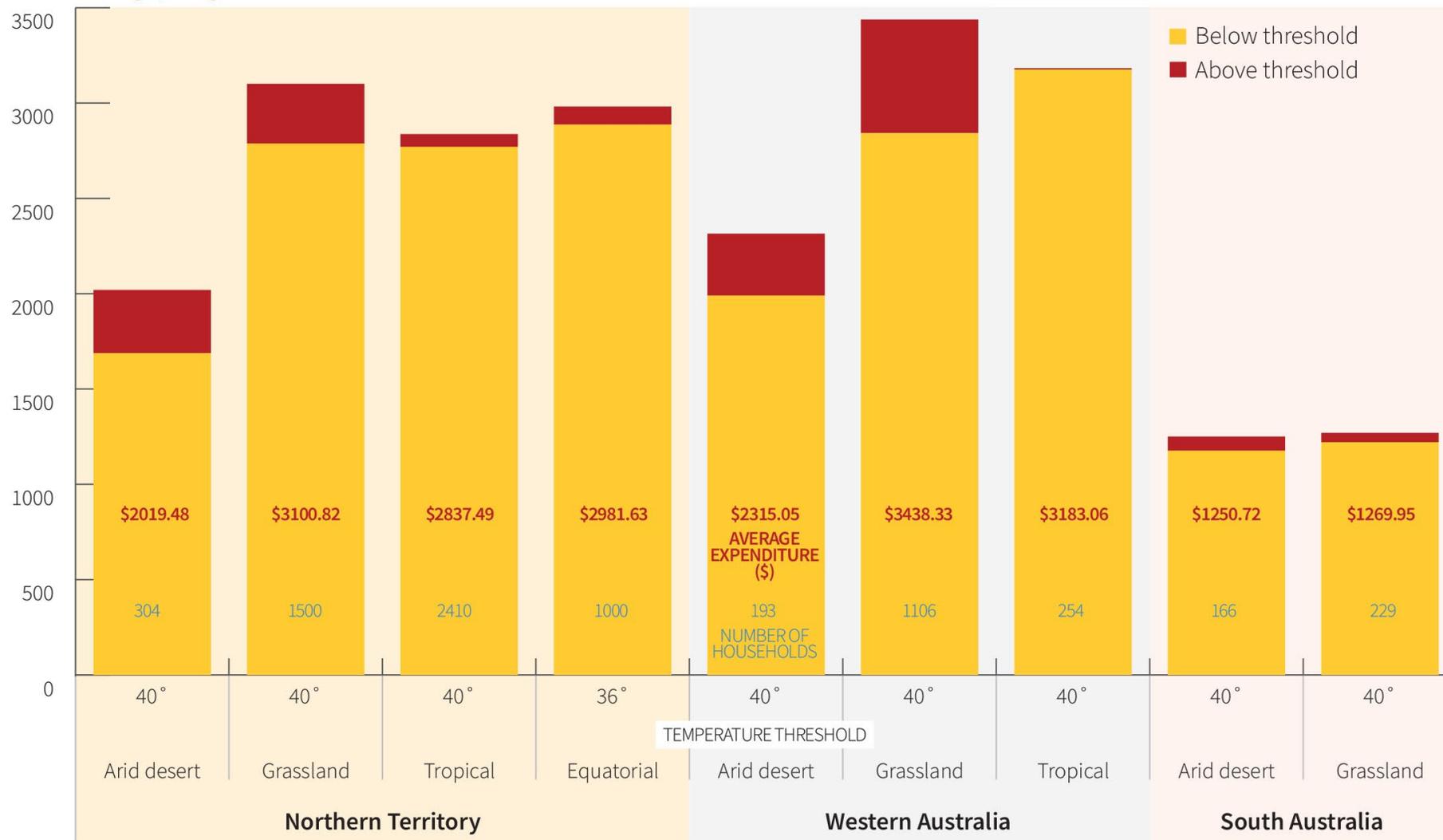


— Below 37°C
— Central estimate
— Above 39.5°C
▭ Low confidence interval
▭ High confidence interval

— Below 36°C
— Central estimate
— Above 39.5°C
▭ Low confidence interval
▭ High confidence interval

EXPENDITURE – AVERAGE PER HOUSEHOLD

Average expenditure on electricity per year



SUMMARY OF RECOMMENDATIONS FOR REFORM

Upon recognising that **energy is an essential service** that must be affordable and accessible by all, it becomes clear that an overarching goal for prepayment reform is to **keep people connected** to power by reducing the rate of disconnections.

The following recommendations arise out of this research, with enabling actions outlined at an agency, jurisdictional, and governmental level.

1. Require better reporting by retailers, and performance-based monitoring, to achieve **meaningful reductions in disconnection events**.
2. Adopt clearly defined energy hardship metrics, including an obligation for retailers to **pro-actively identify and respond to customers in financial hardship**.
3. Remove barriers that exclude prepayment consumers from accessing, owning and enjoying the **full benefits of consumer energy resources** including rooftop solar, energy efficiency and insulation upgrades, and community microgrids.
4. Implement measures to **assist vulnerable people during extreme temperatures** and other emergency events
5. Implement national initiatives including a **Priority Services Register** that improves coordination of targeted support for prepayment and other vulnerable customers
6. Remove mandated prepayment arrangements and provide prepayment customers with the same consumer protections and **choice of energy services** that non prepayment meter customers enjoy.



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Thank you to the following organisations for their valuable contributions to this work and endorsement of the report



Jabalbina



We acknowledge and thank our dedicated research and collaboration partners



[https://researchers.westernsydney.edu.au/files/374816297/The Right to Power - Full report - High res.pdf](https://researchers.westernsydney.edu.au/files/374816297/The%20Right%20to%20Power%20-%20Full%20report%20-%20High%20res.pdf)



PAYMENT DIFFICULTY AND HARDSHIP

There are energy hardship metrics relevant to prepayment customers. As noted elsewhere, these metrics appear in the AEMC National Energy Retail Rules, the SA Prepayment meter system code and the WA Code of Conduct for Supply of Electricity to Small Use Customers.

The SA Prepayment meter system code and AEMC National Energy Retail Rules definition of payment difficulties is when: a small customer has self-disconnected 3 or more times in any 3-month period for longer than 240 minutes on each occasion.

For the WA it is specified that there should be assistance for customers experiencing payment problems if: a energy retailer identifies that a residential pre-payment meter customer has been disconnected 2 or more times in any 1-month period for longer than 120 minutes on each occasion.

Percent of customers in payment difficulty – last 12 months of data received

Definition	Trigger - number of disconnections	PWC - IES	Jacana Energy	Horizon Power	Cowell Electric
Number of disconnections in any 3-month period for longer than 240 minutes on each occasion	One time	29%	23%	27%	25%
	Two times	16%	12%	19%	19%
	Three times	9%	7%	13%	13%
Number of disconnections in any 1-month period for longer than 120 minutes on each occasion	One time	59%	51%	48%	31%
	Two times	50%	38%	38%	22%
	Three times	39%	26%	30%	14%

MOVING FORWARD – PAYMENT DIFFICULTY AND HARDSHIP METRICS

1. We await **revised energy hardship policies**, and we will be interested to see whether metrics are adopted/changed and if requirements to pro-actively contact customers are adopted.
2. We have proposed a **workshop with retailers** to discuss the types of metrics that they use or would be interested in trialing.
3. We have **household surveys that we will match to smart meter data** – this will let us investigate:
 - who is **disconnecting more often**,
 - **who gets identified as being in hardship** using existing measures, and
 - conduct analysis to compare **alternative measures** using the amount of debt accrued and/or credit top-up behaviours that correspond with financial hardship.

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Keeping First Nations' communities
on prepayment connected.



[https://researchers.westernsydney.edu.au/files/374816297/The_Right_to_Power - Full report -
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