

STOP THE BILL SHOCK

To Prime Minister Anthony Albanese, Energy Minister Chris Bowen and The Australian Government,

Thanks, in part, to big energy companies exploiting uncertainty in the energy market, hundreds of thousands of people are in energy debt.¹ This places even more burden on people who live in sub-standard, less energy-efficient homes that cost more to heat and cool. These companies, which are already accused of price gouging and have a track record of breaking the rules², keep pushing our power bills up, even as renewable energy pushes wholesale prices down. They are raking in obscene profits while thousands of families face impossible choices like paying for groceries or running an air-conditioner on a hot day.

Last year energy debt increased to a record high of more than \$300 million driven by high energy bills, which pushed 36,000 more households onto hardship programs, an increase of 38%. According to the Australian Energy Regulator's 2024 market report, 331,750 customers were behind on their energy bills at the end of last year.³ And as we move towards winter, where energy use is required to keep people safe and warm, the number of people facing unaffordable power bills is only likely to increase – especially people on low incomes, and with disabilities who often have extra energy costs.

At the same time, our two largest energy retailers – AGL and Origin Energy – who represent almost half of Australia's energy customers – collectively raked in \$2 billion in profits last year alone⁴. Profits they both partly attributed to an increased margin on energy⁵ and the lower cost of generation. That is, they were charging us more for power, even though it was costing them less.⁶

This just isn't fair. No energy company should be making record profits while people struggle to keep the lights on and stay safe in their homes.

Energy debt creates an unfair burden on people already hit hard by the rising cost of living while locking them out of the solutions that could help lower their energy costs for good. Customers in energy debt are blocked from shopping around for a better deal or changing to a cheaper energy provider or plan. Some people are also being denied the opportunity to access bill-lowering household energy upgrades, like rooftop solar, batteries and virtual power plant schemes,⁷ because they have an energy debt. Instead, they are trapped on unsustainable, punitive payment plans, while their debt continues to grow every month.

In December, Stop The Bill Shock called on energy companies to do the right thing and forgive this unfair debt. They didn't.⁸

That's why we are now calling on the government to step in and help end the energy debt cycle forever.

1. **Pay down energy debt now** – to help people get back on track, with access to cheaper plans and renewable energy.
2. **Make the energy market more fair** – with better market rules and regulations to stop greedy energy companies from inflating retail prices to increase their profits and real support for those struggling to pay.

3. **Cut energy bills for good** – by making it easier and more affordable to power our homes and keep them safe and healthy, expanding access to home energy upgrades, like rooftop solar and home batteries, adequate insulation and efficient heating and cooling.

It's time to put people before profit, cut the cycle of debt for good and create an energy system that works for everyone, not just greedy billion-dollar energy corporations.

It's time to #StopTheBS

Signed,



References

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6. The Australia Institute, '[Power gouge: how AGL and Origin are milking monster profits from battling families](#)', published 11 October 2024
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