

# Electricity charges

## *Residential (Land Lease) Communities Act 2013*

As a home owner in a residential land lease community you have rights under the *Residential (Land Lease) Communities Act 2013* and *Residential (Land Lease) Communities Regulation 2015*. This factsheet explains the law in NSW regarding electricity charges.

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If the operator supplies electricity to the residential site they can charge a home owner if:

- it is a term of the site agreement, and
- the electricity is separately measured or metered, and
- the operator gives the home owner an itemised account and allows at least 21 days to pay.

### Usage charges

Electricity usage is charged per kilowatt-hour (kWh). The operator cannot charge you any more than the amount they are charged by their energy provider.

There are a number of ways to calculate the kWh charge but the one accepted by the Tribunal is the *Reckless* method. To calculate charges using the *Reckless* method the operator takes the total dollar amount charged by their energy provider and divides it by the total kWh used in the community. This provides a kWh price that is used to calculate electricity charges for home owners.

### Availability charges

If the operator uses the *Reckless* method to calculate electricity charges they cannot charge home owners a separate service availability charge (SAC).

If *Reckless* is not used, the operator may be able to charge you a service availability charge. The charge is based on the service availability charge that would apply if you were a small customer on a standard retail contract with your local electricity retailer.

If the supply to your site is less than 60 amps the service availability charge must be discounted as follows:

- if less than 20 amps is supplied you pay 20% of the standard service availability charge
- for 20 amps to 29 amps you pay 50% of the standard service availability charge
- for 30 amps to 59 amps you pay 70% of the standard availability charge.

### Access to operator records

The operator must provide you with reasonable access to bills and other documents relating to your electricity charges. You can ask the operator to allow you to inspect their electricity bills or provide you with copies to enable you check that you are being correctly charged. See also sample letter requesting operator utility bills.

### Refund of overpaid amounts

If you have been overcharged you are entitled to recover the overpayment. If the operator agrees you can deduct the amount from site fees that are payable by you.

If the operator disagrees that you have been overcharged, or with the amount you have been overcharged, you can apply to the NSW Civil and Administrative Tribunal (NCAT) to have the dispute resolved. The application must be made within 28 days of you becoming aware that you were being overcharged.

### Reduction of site fees

If electricity supplied to your site by the operator is not separately measured or metered and the operator installs a meter, or stops supplying electricity, the operator must notify you of the change within 14 days of it occurring by giving you a utility cost notice.

The notice must state the cost of electricity that

was factored into your site fees and how that has been worked out. It must also tell you what your new site fees will be and the date from which they are payable.

The notice must advise you of your right to apply to NCAT within 30 days if you dispute the amount of the utility cost i.e. the amount by which your site fees have been reduced.

## Receipts

The operator must provide you with a receipt for accounts you pay in person, or upon request. The receipt must include the following particulars:

- the name and address of the community and the number of your residential site,
- your name,
- whether you are in debit or credit and by what amount,
- the period for which the charges are paid,
- the date on which payment was received, and
- the amount paid.

## Late fees

If you have a site agreement pursuant to the *Residential (Land Lease) Communities Act 2013* the operator can charge you a fee for a late or dishonoured payment. This fee cannot be more than the fee that would be charged by the local utility service provider if that provider was supplying your electricity directly.

## Exempt seller

The operator is an on-seller of electricity and is required to hold a retail exemption and abide by the Australian Energy Regulator (AER) (Retail) Exempt Selling Guideline.

As an exempt seller the operator is also required to be a member of the Energy and Water Ombudsman NSW (EWON).

You can make a complaint to the AER or EWON about your electricity supply, billing or charges.

## See also

Sample letter Utility Bills at:  
<https://www.tenants.org.au/thenoticeboard/sample/utility-bills>

## FURTHER HELP

### Tenants Advice and Advocacy Services

#### Sydney

South	9787 4679
South West	4628 1678
Inner West	9559 2899
North	9559 2899

#### Regional

Blue Mountains	4704 0201
Central Coast	4353 5515
Hunter	4969 7666
Illawarra & South Coast	4274 3475
Mid Coast	6583 9866
Northern Rivers	6621 1022
North West NSW	1800 836 268
South West NSW	1300 483 786

#### Aboriginal

Sydney	9833 3314
Northern NSW	1800 248 913
Southern NSW	1800 672 185
Western NSW	1800 810 233

<b>Website</b>	<a href="http://thenoticeboard.org.au">thenoticeboard.org.au</a>
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<b>NSW Fair Trading</b>	13 32 20
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This factsheet is intended as a guide to the law and should not be used as a substitute for legal advice. The information applies to people who live in, or are affected by the law as it applies in New South Wales, Australia.

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