

# Small Claims Compensation Scheme

The South Australian Government is proposing to establish a small claims compensation scheme for households and small businesses who experience property damage due to electrical infrastructure failure.

## How will the scheme operate?

The scheme will enable South Australian households and small businesses to claim compensation from SA Power Networks (SAPN) for property damage caused by failure in electricity infrastructure. Claimants will be able to make these claims without needing to establish the electricity distributor's fault or negligence.

SAPN will administer the scheme, investigate, and assess claims, and provide compensation to successful claimants.

## Who is eligible?

South Australian residential customers and small businesses (using less than 160 MWh of electricity per year) who receive customer connection services from SAPN are eligible. SAPN is South Australia's only electricity distributor under the National Electricity Law.

## What we want your feedback on

We are seeking community and stakeholder feedback on the proposed regulations and will use this feedback to finalise the proposed amendments.

## What is a claimable incident?

A claimable incident is the failure of electricity infrastructure owned and operated by SAPN where the failure causes a relevant voltage variation.

Compensation for a claimable incident is available where the failure causes property damage at an eligible customer's premises. This includes property damage to electrical appliances, but may also include food spoilage, crop damage and livestock loss caused by the claimable incident. Evidence will need to be provided with your claim. Compensation will cover the cost for repairing or replacing the property on a like-for-like basis – that is, to a standard of the same age, functionality, and appearance of the original item.

## When is compensation not payable?

Compensation will not be paid for incidents that are covered under insurance, including where failure to electricity infrastructure owned and operated by SAPN is caused by:

- lightning, a storm, an earthquake, a flood, a fire, or another natural event.
- a person, other than a SAPN employee, contractor, or agent, damaging the electricity infrastructure.
- property of a person, other than property of SAPN or an employee, contractor, or agent, damaging the electricity infrastructure.
- fauna or flora contacting the electricity infrastructure.

## Retrospective Claims

It is proposed that for any eligible incidents that occurred between 1 July 2022 and the scheme's commencement, claimants will have two years from the start of the scheme to submit a claim. If a household or small business has already been compensated for a specific incident, they cannot claim under this scheme for the same incident.

## What are the limits on how much you can claim?

The draft regulations propose a minimum claim amount of \$100 and a maximum amount of \$15,000.

## How can you provide feedback?

Submit your feedback via the YourSAy website [yoursay.sa.gov.au/smallclaims](https://yoursay.sa.gov.au/smallclaims) or;

Submit your submission via email to [dem.consultation@sa.gov.au](mailto:dem.consultation@sa.gov.au) with the subject line "Small claims amendments".



**Government  
of South Australia**

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Energy and Mining