

POSITION STATEMENT

Sovereign Citizenship and Payment Methods

July 2025



EWOSA sometimes receives contact from individuals who identify as ‘sovereign citizens’ – a term commonly used to describe individuals who do not recognise the authority of government and statutory law.

Sovereign citizens cite various sources of apparent legal authority for their actions and position, using what has been referred to in various Courts of Australia as “pseudo law”. The legal positions they assert in their communications are not legally valid or correct and are not recognised in Australian Courts.

Sometimes we receive non-payment complaints from individuals who tell us that they have made payment of their energy and/or water account in accordance with the *Bills of Exchange Act 1909*, or by other non-regulated methods such as promissory notes, barter arrangements, or private payment instruments not recognised under current energy or water regulations or that for some asserted reason, they are not liable at all.

This document sets out EWOSA’s general approach to complaints of this nature.

Our position

EWOSA’s jurisdiction is outlined in our Charter and includes complaints by consumers of energy and water services about issues relating to the connection, supply and sale of electricity, gas and water, billing, credit and payment services, disconnection and customer service issues.

We understand that some individuals may be acting on misleading information or misunderstood legal advice and/or assert legal positions which are not valid, and we aim to provide clear guidance on payment options available under the regulatory framework.

Industry regulators, including the Australian Energy Regulator (AER) for energy, and the Essential Services Commission of South Australia (ESCOSA) for water, require energy and water companies to provide several payment options to their customers but this does not include bills of exchange or the acceptance of promissory notes.

Bills of exchange and promissory notes are not accepted forms of payment under current regulatory frameworks. These instruments fall outside modern billing and financial systems used by providers and may pose legal and operational risks due to their disputed status and lack of standardisation.

Even if the bills of exchange and / or promissory notes asserted by the individual are legitimate, neither is, as a matter of law, a “payment”. Rather, each is a promise or direction to pay in the future.

Our approach to complaints about payment methods

We may initially refer a complaint to an energy or water provider to allow them the opportunity to review the matter and communicate directly with the complainant. However, EWOSA will not investigate a complaint that is solely about an energy or water provider not accepting payment in accordance with the Bills of Exchange Act or other non-regulated methods.

When a complaint references the Bills of Exchange Act or similar, we will share information with the individual about the payment methods that their provider is obligated to accept. We will also provide advice about the impacts of non-payment via a regulated option which includes disconnection and restriction of supply, debt collection and credit reporting. As with any complaint, we expect customers who contact us to show good faith, including making payments to their account using

one of the regulated options offered by their provider.

While there are provisions in the regulations for payments to be made by ‘mail’, the mailed payment needs to be a valid one under the Australian Paper Clearing System (APCS), which is managed by the Australian Payments Network (APN). More information can be found at <https://www.auspaynet.com.au>.

EWOSA is not a legal forum and is unable to provide advice about the Bills of Exchange Act or other promissory payment methods. If an individual wants to pursue their view that they have the right to make payment in accordance with the Bills of Exchange Act or by other non-regulated methods, we will advise them that they can seek advice from a legal body, but that otherwise we are unable to assist them. We will not engage with an individual further on this specific topic.

