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25 March 2024

Daniel Harding
General Manager (A/g)
Market Performance Branch, Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Submitted electronically: marketperformance@aer.gov.au

Dear Mr Harding,

Re: Draft AER Performance Reporting procedures and Guidelines

Red Energy and Lumo Energy (Red and Lumo) are pleased to make this submission to the Australian Energy Regulator's (AER's) draft performance reporting procedures and guidelines.

We acknowledge the importance of the AER collecting data to assess the state of the retail market and the effectiveness of the regulatory framework. However, there is a clear trade off between the type and volume of data that the AER collects and the administrative burden for retailers of having to comply with those requests. At a time when consumers are facing significant cost of living pressures and where administrative costs flow through to retail prices, we strongly encourage the AER to carefully consider the implications of the draft guideline. The expansion of data that the AER is seeking through amendments to the current obligations, particularly the additional granularity of specific areas of interest, will only add to that burden and to costs.

The AER could consider alternatives to permanent reporting obligations if it wants to understand the effectiveness of specific measures and inform the development of future initiatives. These could include more targeted data requests, audits and other measures to evaluate initiatives such the *Better Bills Guideline*, family violence protections and life support measures.

A further issue for the AER to consider is the timing of the commencement of the proposed reporting obligations. The proposed data of 1 January 2025 is simply not feasible, particularly when retailers are simultaneously implementing other substantial initiatives. One notable example is the forthcoming Legacy Meter Replacement Program. At the very least, we propose a commencement timeframe of at least 12 months from the finalisation of any revised reporting obligations.

Comments on specific indicators

Life Support

We recommend the AER allows retailers to report this data at a utility, rather than customer level. There is a high risk of double counting, particularly where retailers have different approaches for accounting for dual fuel customers. Some treat this as a single account, while other retailers capture them as different customers and may use different systems.

Family violence

This is a highly sensitive area and the safety, wellbeing and anonymity of any of our customers who are experiencing family violence is paramount. We and other retailers go to great lengths to avoid tracking or reporting these customers to avoid the risk of disclosure. This involves careful controls on systems and limitations on access to data to those staff who have the necessary expertise to handle sensitive data appropriately.

As such, we recommend the AER exercise caution when expanding retailers' obligations to report on family violence. The benefits of collecting more data and at a more granular level are not clear, particularly when retailers have little basis for understanding or speculating on the reasons for any change. The risk of identification is magnified in the case of the customers of small retailers.

About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail electricity and gas in New South Wales, Queensland, South Australia, Victoria and in the ACT to over 1.3 million customers.

Red and Lumo thank the AER for the opportunity to comment on the draft guideline. Should you wish to discuss or have any further enquiries regarding this submission, please contact me on 0438 671 750.

Yours sincerely

A handwritten signature in black ink, appearing to read "G Hargreaves".

Geoff Hargreaves

Manager - Regulatory Affairs

Red Energy Pty Ltd

Lumo Energy (Australia) Pty Ltd