

Consultation summary

Voices for Power listening session

- **When:** Tuesday, 23 July 2024, 6:30 pm – 9:00 pm AEST.
- **Where:** Afghan Fajar Association Incorporated, Campbelltown, NSW.
- **Who:** 36 consumers and representatives from culturally and linguistically diverse communities (with representation of 18 languages and 15 ethnonationalities) and 3 representatives from the Australian Energy Regulator (AER).
- **How:** The session was run as 2 small-group discussions in 3 groups, with an AER staff member in each group. Discussions were facilitated by Voices for Power co-chairs. The role of AER staff was to listen, record and reflect back what we heard in plenary sessions after each discussion.
- **Why:** The purpose of this session was to consult on energy payment difficulty issues affecting people from culturally and linguistically diverse communities. The session was also designed to establish a foundation for future engagement between the AER and Voices for Power on policy issues impacting culturally and linguistically diverse consumers in the changing energy system.

Background

- This session was part of consultation for the AER’s [Review of payment difficulty protections in the National Energy Customer Framework](#), which aims to strengthen protections for consumers experiencing payment difficulty by ensuring they are proactively identified, engaged early and supported appropriately with assistance that is tailored to their individual circumstances.
- The session was co-designed in collaboration with Sydney Community Forum and Voices for Power, and generously hosted by Sydney Community Forum, Voices for Power and the Afghan Fajar Association Incorporated in Campbelltown, NSW.
- This consultation summary reflects the views of community members which were shared with the AER during the session. The summary was prepared by the AER but has been approved by Voices for Power leaders who participated in the session. The views summarised in this document will inform the analysis for our review, as well as other work where relevant.
- This summary also reflects additional personal narratives submitted to Voices for Power and the AER after the session by 4 community members who were unable to attend.

Definitions

- **Payment difficulty** refers to when people find it difficult to afford their energy costs, which includes when people have to make sacrifices to pay their energy bills as well as when people go into energy debt.
- **Protections** refers to what energy businesses are required to do under the laws, rules and regulations that exist to protect consumers. For example, protections exist in relation to how energy businesses identify, engage with and assist customers experiencing payment difficulty.
- **Assistance** is the practical support that energy businesses provide to eligible customers, such as payment plans, deferred payments, payment matching, debt relief, access to financial counselling, and energy efficiency advice or support. Some of the existing protections require energy businesses to provide assistance to their customers under certain circumstances.

Overall themes in feedback received in the listening session

- 1. Access to energy should be protected as an essential service:** People in culturally and linguistically diverse communities believe that everyone should have access to the energy needed to live a decent life and that they can't trust energy businesses to achieve that, so more protection and regulation is needed.
'Energy companies have no mercy.'
- 2. People in culturally and linguistically diverse communities feel excluded and marginalised in the energy system:** In their experience, energy businesses do not serve their needs, reach out to them, or support them when they need help. People in culturally and linguistically diverse communities are also more likely to face challenges such as language barriers, unstable housing, and systems that are not aligned with their cultural needs. These customers find they need to advocate strongly for themselves when seeking help, and still do not receive the support they need. This worsens barriers to accessing assistance, such as feelings of shame, a sense of lack of agency or control, and a lack of trust in the energy market.
'I had to fight for it but that didn't make a difference.'
- 3. We should focus on identifying opportunities to make the system more inclusive:** Making the energy system more inclusive can help make society more inclusive for people in culturally and linguistically diverse communities. There are barriers that could be addressed to give these customers more opportunities to participate effectively in the energy market.
'We are in a cost-of-living crisis at the moment and the impacts are felt at the core of the migrant and refugee communities. ... They've managed to escape Afghanistan, they've come to Australia to start a life here, and yet here in Australia some of them are going homeless. This is not just about the fact it's a housing crisis but also the fact that because they are in a certain home they are going cold.'
- 4. Energy businesses have a responsibility to help their customers:** People in culturally and linguistically diverse communities feel the need to 'fight' and 'defend' themselves because they feel the responsibility is always on them to know what they should be doing, how to do it, and what support is available. They believe that energy businesses should have more of the responsibility to actively reach out to diverse customers and support them.
'The onus of responsibility is always on the consumer and I think that's unjust.'
- 5. Long-term, systemic solutions are required to make a meaningful difference:** Much of the assistance available today is focused on short-term fixes and doesn't take into account systemic complexities, such as the fundamental link between energy and housing. People in culturally and linguistically diverse communities feel that Australia can and should create more meaningful, long-term and systemic solutions to these enduring challenges.
'It's not a solution to knock on the door of every association and every organisation every month when we receive a high bill. We cannot compare Australia with an undeveloped country where there is not a good policy for everything. There should be a good policy and a good solution. ... It should be a good solution for solving the problem not once or twice, but for the long term.'

Discussion 1 – Experiences of energy payment difficulty among culturally and linguistically diverse communities

Discussion questions

- What are you doing to keep yourselves warm this winter?
- What does that mean for your budget?
- How do you manage the situation?

Note: Not being able to afford the energy needed to heat or cool your home to a comfortable temperature is a widely used measure of energy hardship or energy poverty.

What the AER heard from people in culturally and linguistically diverse communities

- People in culturally and linguistically diverse communities find it difficult to pay for the energy they need to keep warm for many reasons, including:
 - lack of access to efficient appliances and effective heating devices, because they can't afford them or don't have the ability to install them (for example, because they are renting)
 - needing to use heaters for health and wellbeing reasons, including for children
 - living in energy inefficient homes, which results in high energy costs even when people 'use all the tricks' available to minimise their energy usage
 - being on a low income, including not being able to work due to caring responsibilities
 - receiving inaccurately high bills, for example due to estimations or billing errors
 - juggling many other essential expenses, such as rent and medical bills
 - managing rising energy costs and broader cost-of-living pressures.

'I can't keep warm in winter. I rent a very, very old place ... it has low insulation and it's freezing in winter and it's really hot in summer, so how I keep warm is I go to bed.'

Personal narrative: The challenge of managing high energy costs

Despite my payments of \$500 for electricity and \$900 for gas every three months, along with a monthly deduction of \$70, my overall costs remain unreasonably high. This situation is becoming increasingly burdensome, and I kindly requested a thorough review of my account and billing practices to better understand the charges and seek a resolution with my retailer, but still the same.

- People respond with a range of strategies to manage their energy use and costs, including:
 - avoiding heating the home, instead using the oven to keep warm or relying on blankets, extra layers of clothing, heat packs and small space heaters
 - trying to keep heat within the home as much as possible, including opening curtains during the day and closing them at night, curtaining off sections of the home to maintain heat in specific areas, and being careful about opening doors and windows
 - using devices to measure how much energy their appliances are using and turning off all non-essential appliances.

'I wear so many jackets, but it's not a good solution.'

- When people in culturally and linguistically diverse communities are struggling, they do not always reach out for support because of barriers like:
 - feelings of shame
 - not believing they deserve help, because there is always someone worse off than they are
 - not trusting that they will receive any support, for example due to previous bad experiences with energy businesses or fear of organisations and institutions generally as a result of previous life experiences
 - not having the information or right to seek help, because they are not the account holder.

‘I feel shame that I cannot defend myself and my family.’
- Even when they do reach out, many people in culturally and linguistically diverse communities struggle to access support or assistance due to:
 - long wait times when calling their retailer
 - lack of access to interpreter services
 - not being the account holder
 - power imbalances between renters and landlords
 - living in an embedded network.¹

‘It is really unjust because how can you be paying for an energy bill where you have no control over the plan suited to your household?’

‘In a new building with a private network, I couldn’t get an EAPA voucher.¹ I had to move out of the building.’
- People in culturally and linguistically diverse communities also use various strategies to pay bills they can’t afford, including:
 - seeking assistance from community organisations, including to access EAPA vouchers
 - cutting down on ‘luxury’ expenses, like eating out
 - cutting down on other important expenses, such as swimming lessons for their children.

‘Some people do not feel that they are in hardship because they are using other avenues. ... [They think] “I’m not in hardship because I’m spending money there, let’s stop doing that”.’
- Sometimes, even after using all of the above strategies, they are unable to pay their energy bill and are disconnected. Being disconnected has a significant impact on people, resulting in:
 - feelings of shame and humiliation
 - additional costs, such as reconnection costs.

‘For the first time in my life I was receiving income support and I just could not make the money stretch. I got an electricity bill and I honestly could not pay it. The electricity got cut off and it was the most humiliating experience.’

¹ An EAPA (Energy Accounts Payment Assistance) voucher is a form of assistance from the NSW Government. EAPA helps people experiencing difficulty paying their energy bill because of a short-term financial hardship, crisis or emergency. Customers must receive their bill from an energy provider who has opted into and is approved to provide EAPA. People owing money on closed accounts, business or non-residential accounts, receive their bill from an energy provider who is not registered for EAPA or receive gas supply through LPG bottles are not eligible for EAPA. Until recently, customers were not eligible for EAPA if they were billed as an embedded network customer. See <https://www.energy.nsw.gov.au/households/rebates-grants-and-schemes/energy-accounts-payment-assistance-eapa>

Discussion 2 – Opportunities to make a difference for culturally and linguistically diverse communities

Discussion questions

- What would make a difference to the situations that we hear?
- How can that be achieved?
- Who is responsible and who do you trust to make this happen?
- When in the payment difficulty journey should this be happening?

What the AER heard from people in culturally and linguistically diverse communities

- **Give people more control over their energy costs** by helping them access solar and providing more visibility over energy charges. For example, it seems unfair that the cost for energy people use is so much higher than the amount they receive for their solar exports. Giving people more visibility and transparency in relation to energy charges can help them make informed decisions and seek support when needed. Ideally, this would include ensuring renters can view their bill and see their charges, even if they may not be the account holder.
‘Long term, install solar panels so we can exit from the system as the system is not working for us.’
‘Some people paid to put solar panels on their house to reduce their bills. The companies are charging 37 cents per kilowatt to the owner and they’re buying solar energy for 7 cents. That’s not fair. People are not at home during the day and the energy is going to the company, but they are still receiving high bills.’
- People need **more education and information about energy and assistance**. For example, short videos in community languages could be developed to explain bills, how to access assistance, how to start a conversation with their retailer about assistance, and how to use Energy Made Easy. They could incorporate scenarios, names and examples that are relatable and understandable for specific culturally and linguistically diverse communities. Including stories of when customers have successfully received assistance could give people hope and encourage them to reach out. Energy businesses should also be required to proactively communicate with people in a way that will actually reach them, including people in culturally and linguistically diverse communities.
‘Retailers have a lot of money. The government should put some kind of responsibility on them to explain their bills in-language. ... We have to find out about support through Sydney Community Forum or Afghan Fajar Association Incorporated. This is not the way. We demand the government should put some kind of regulation on retailers to explain.’
- Energy businesses should **communicate with customers in a more consumer-friendly way**. Written communications should be more informative and approachable. This includes avoiding language such as ‘hardship’, which people do not identify with and which may not translate well into other languages. ‘Relief’ was suggested as a potential alternative term, which may encourage people to seek help earlier because of its broader association with support during the pandemic or natural disasters. It’s also important to recognise that we can’t assume that people in culturally and linguistically diverse communities are literate in their first language, so a variety of communication channels are required.
‘There are people who are scared of any official-looking letter.’

‘That’s the thing about being in a CALD community. ... They use all this fuzzy wuzzy language sometimes and it scares you. ... Just plain English. Mum used to be okay herself but then they started using all this jargon and slogans and she didn’t understand ...’

- It should be **easier for culturally and linguistically diverse consumers to contact their retailer and access assistance when they need help**. For example, reducing call wait times and making opportunities for people to reach out in person (for example, by having physical offices or running in-person sessions with the community) would make it easier for customers to reach out to their retailer for assistance. It’s also important that the systems and processes at energy businesses are designed to make it as easy as possible for people to access assistance when they need it. For example, frontline customer service staff should be empowered to assist customers with payment plans without negatively affecting their KPIs. They should also be focused on engaging with people on a human level rather than being driven by processes and numbers, and the processes they do use shouldn’t rely on customers using specific ‘trigger words’ to access available assistance.

‘What I admire about the Australian government system is that if I need something to do with rent or getting a licence, you go there and they answer you ... But I’m not sure if energy businesses have a centre in your area where you can go in and ask questions. Everything is online.’

‘If that kind of an issue is there, then it needs to be looked into and staff made aware that that shouldn’t be the case. ... It’s not like a secret door that needs to be opened by a secret word. It’s a payment plan, it should be available.’

- **Energy businesses should have a responsibility to proactively offer assistance to customers**. For example, energy businesses could offer more support to people who are likely to be struggling based on their data, such as people who don’t pay on time, haven’t negotiated a payment plan or payment arrangement, or never respond to calls or letters. There should be a pathway for energy businesses to reach out to these people, which could be in response to a specific trigger. These people should automatically receive support to reduce their bill, such as payment plans and discounts. Businesses should also be required to more proactively offer assistance such as payment plans, rather than putting the onus on the customer to ask. Customers should be able to access assistance in a way that suits them – for example, using self-service options that do not require them to identify as experiencing payment difficulty.

‘They have computerised systems. Why can’t they have trigger points on them?’

‘... do something online or on the bill, like a “click here” button or something simple where people don’t have to admit something that can be sometimes considered shameful.’

- **Payment plans, including arrangements to repay energy debt as well as direct debit prepayment arrangements**, should take into account how much the customer can actually afford to pay and more accurately reflect the customer’s actual energy costs. Consumers who are in vulnerable circumstances and agree to a prepayment arrangement should not be left worse off than they would be if they were paying their bill after usage like most customers.

‘I have a member in my community who successfully got on a [pre]payment plan, but it was theft. When I calculated the amount that she paid fortnightly for the whole year, it would be better for her to keep with her high bill.’

'If you go on a payment plan, I think it should be according to what you can afford. But we're given an amount so we automatically think, "OK that's the best rate" ... You're tricking us.'

- Energy businesses should be required to **use some of their profits to assist people in vulnerable circumstances**. This could include providing direct assistance, such as debt relief, co-payments on payment plans, or subsidised energy prices. It could also include indirect assistance, such as support for community energy literacy programs (such as the Voices for Power Energy Literacy Train the Trainer Program).

'We all know these big companies have large profits. The companies could be forced to provide a certain percentage of their profit to be put into payment plans. For example, if a retailer representative already knows that this year they have this amount of money to give out into payment plans, they would be forced to actually give options and people wouldn't have to jump around to get into that payment plan. They could actually just opt in if they want to. Just go online ... and it would automatically be implemented as a credit on their bill. Much like how the government is giving us a \$300 credit from our tax money. Instead of that, that money can come out of the profits ... a fixed percentage of their profits every year.'

- There needs to be **better communication before a customer is disconnected**. For example, the retailer should have to communicate with the customer in a way that suits them (such as over the phone or through SMS), they should communicate in plain language, and there should be better access to interpreters. It's also important that communication about disconnection includes information on what assistance is available for customers, and that the customer is given enough time to act on this information. To ensure this, there could be a requirement to confirm that the customer has received the notice before disconnecting them. As the quote below and the personal narrative on the next page demonstrate, a letter or email may not reach the customer. It would help to have someone visit the home in person before disconnecting the customer, if the energy business hasn't heard from them after issuing the disconnection notice. However, it would be important that the person visiting the customer is an employee of the business, is able to engage empathetically and provide information about the assistance available, and visits the home well in advance of the disconnection (for example, two weeks before the disconnection).

'When they send out the letters for disconnection, they should at least call or something. I think my mum got letters sent to her. She was wondering why her bill hadn't arrived yet and then all of a sudden she comes home and it's already disconnected.'

- It should be **easier for a customer to get reconnected**. Disconnection is a significant disruption in people's lives, which is made worse by the fact that they have to pay a fee and wait a long time (for example, up to a week) to get reconnected.

'You have to pay a fee for them to come and reconnect it. That's the worst part. It takes a long time.'

Personal narrative: The impact of poor communication in the disconnection process

It was a bright, sunny morning, and I had just woken up around 10 am, feeling refreshed and ready to start my day. As I stretched and rubbed the sleep from my eyes, I noticed something was off. The usual hum of the refrigerator was absent, and the lights wouldn't turn on. Confused, I checked the electricity board, hoping it was just a minor issue. But everything seemed fine there, leaving me puzzled and increasingly frustrated.










In search of answers, I stepped onto the balcony, hoping for clarity. To my surprise, I spotted an electricity worker standing by the utility pole. My heart sank. I rushed down to speak with him, hoping for a simple explanation. With an emotionless expression, he informed me that the electricity had been disconnected due to missed payments. My heart dropped further. He mentioned that I would need to contact the electricity company to restore the connection, and then he left, leaving me in disbelief.

Feeling a mix of frustration and helplessness, I returned to my apartment. With no way to cook, I settled for a few cookies to stave off hunger and waited for my brother to wake up. My brother, a dedicated chef, works late into the night, and I didn't want to disturb his much-needed rest. As I sat there, the feeling of embarrassment washed over me. How could we have missed the payment?

When the electricity was off, I felt a wave of panic and embarrassment. Without power, I couldn't charge my phone in my apartment, so I had to awkwardly go to the corridor to find an outlet. It was embarrassing to be seen by neighbours, and I felt a bit foolish. When my brother finally woke up, I explained the situation.

We were shocked at how this happened. My brother dug and dug into his email and, unfortunately, the payment reminder email ended up in my spam folder, which led to us missing the due date. Together, we contacted the electricity company and quickly paid the overdue bill. However, the experience left me with lingering questions and frustration. Why hadn't we been notified before the disconnection? Why didn't the worker give us a chance to resolve the issue on the spot? It felt like the system was unnecessarily harsh and unforgiving.

Summary of suggested opportunities to make a difference in relation to energy payment difficulty for people in culturally and linguistically diverse communities

What would make a difference	How it could be achieved
Give people more control over their energy costs 	<ul style="list-style-type: none"> • Make it easier for customers to access solar. • Ensure the benefits of solar are clear and fair for customers. • Ensure customers have visibility over their charges (for example, by communicating them clearly and transparently and giving renters the ability to view their bill).
Provide more education and better information about energy and assistance 	<ul style="list-style-type: none"> • Create educational videos in community languages to explain how to read energy bills, how to access assistance, how to start a conversation with their retailer about assistance, and how to use Energy Made Easy. • Require retailers to proactively communicate with customers about energy bills and assistance, including customers who speak languages other than English.
Communicate in a more consumer-friendly way 	<ul style="list-style-type: none"> • Remove the language of 'hardship' from information about assistance (consider 'relief' as an alternative). • Communicate in a variety of channels, as some people may not be literate in their first language.
Make it easier for customers to contact their retailer and access assistance when they need help 	<ul style="list-style-type: none"> • Reduce call wait times. • Create opportunities for in-person contact, for example through physical offices or in-person engagement events. • Ensure customer service staff are empowered and incentivised to assist customers. • Ensure customer service staff are focused on engaging with people on a human level rather than being driven by processes and numbers. • Ensure processes don't rely on customers using specific 'trigger words'.
Proactively offer assistance to customers 	<ul style="list-style-type: none"> • Use data to identify when people might be struggling. • Create pathways for energy businesses to reach out to these people, potentially in response to specific triggers. • Automatically provide support (such as bill reductions and discounts) to people who seem to be struggling. • Proactively offer assistance such as payment plans. • Allow customers to access assistance through multiple channels, including options that do not require them to identify as experiencing payment difficulty.
Make sure payment plans are accurate and affordable 	<ul style="list-style-type: none"> • Ensure payment plans (including prepayment arrangements) reflect the customer's actual energy costs and what they can afford to pay.
Require energy businesses to use some of their profits to assist people in vulnerable circumstances 	<ul style="list-style-type: none"> • Require energy businesses to allocate a portion of their profits to directly assist customers in need, for example through debt relief, payment plan co-payments, or subsidised energy prices. • Require energy businesses to allocate a portion of their profits to indirectly support customers in need, for example by funding community energy literacy programs.
Improve communication before disconnection 	<ul style="list-style-type: none"> • Communicate with customers at risk of disconnection in a way that suits them (such as by phone or SMS), rather than relying on disconnection notices. • Confirm that disconnection notices have been received before disconnecting a customer. • Provide customers at risk of disconnection with information about assistance, including payment plans and government rebates and concessions. • Require businesses to arrange for an appropriate person to visit the home well before the customer is disconnected, if the business hasn't heard from the customer after issuing the disconnection notice.
Make it easier for a customer to get reconnected 	<ul style="list-style-type: none"> • Reduce or remove reconnection fees. • Reduce the time it takes to get reconnected.