

Australian Council of Social Service

28 April 2025

Stephanie Jolly
Executive General Manager, Policy
Australian Energy Regulator
GPO Box 3130 Canberra ACT 2601
AERexemptions@aer.gov.au

Dear Ms Jolly

Thank you for the opportunity to make a submission to the AER regarding the [draft Retail Exempt Selling Guideline and the draft Network Exemptions Guideline](#).

A number of ACOSS members have raised concerns with us that the draft determination recommendations will result in ongoing harm to consumers by allowing the growth of embedded networks to continue. ACOSS members are concerned that the AER did not adequately consider the extent of consumer harms experienced in embedded networks as reported by various state and territory energy Ombudsmen and consumer groups, and relied too heavily on a consultant's report with a small sample size. Concerns were also raised that in making the draft determination, the AER has not adequately engaged consumer representatives in the AER's analysis of the pros and cons of embedded networks, and the risks and benefits of closing new embedded networks.

As a result, ACOSS recommends the AER extend the timeframe for the Review of the AER exemptions framework for embedded networks in order to:

- appropriately consider consumer input from recent relevant processes, including the AER's Review of Payment Difficulty Protections;
- enable a more robust consideration of consumer and community input provided to this process, particularly evidence of actual consumer detriment and risk of harm; and
- engage stakeholders in a robust exploration of the pros and cons of embedded networks, and risk and benefits of banning the establishment of future embedded networks.

This process should involve publishing a new revised Draft determination.

Thank you for your consideration.

Yours sincerely,



Kellie Caught
Program Director
Climate and Energy
ACOSS

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