

Thursday, 22 May 2025

An open letter from the Australian Energy Regulator to the energy sector

Re: *Designed to Disrupt: Safety by design for essential services*

In May 2024, the Essential Services Commission of Victoria established a [safety by design partnership](#) to help energy and water businesses prevent essential services from being weaponised against customers experiencing family violence. This partnership has captured valuable insights for the energy sector in the recently published discussion paper, [Designed to Disrupt: Safety by design for essential services](#) by Catherine Fitzpatrick of Flequity Ventures.

The discussion paper finds that family violence perpetrators can and do exploit essential services to cause harm across the customer lifecycle, using tactics such as accumulating debt, avoiding payment, sabotaging services and controlling access to bills. Some of these tactics are inadvertently enabled by energy products and services, and many customers affected by family violence live with the fear of life-threatening risks due to human and system errors – many of which could be avoided by changing how products, services and processes are designed.

The discussion paper finds the energy sector to be the least mature in our collective response to domestic and financial abuse, compared to others studied to date (water, banking and general insurance). Despite some positive examples of progress driven by regulators and individual energy businesses, the paper finds that poor experiences for customers affected by family violence outweigh experiences of empathetic and informed customer care from energy providers. Energy businesses play a critical role in preventing essential services and energy debt from being weaponised. However, it is clear from the paper's findings that the sector needs to do more.

We call on industry to make its services safer for customers affected by family violence.

The discussion paper provides a roadmap for evolving workplace safety culture to a culture focused on customer safety by design. We encourage energy businesses to reflect on where there is room to improve their services, products, systems and processes to prevent harm, and to take action accordingly. We also highlight the opportunities the paper has identified for ambition, collaboration and sharing of good practice as part of a whole-of-sector response to prevent the weaponisation of energy debt and misuse of energy accounts by perpetrators of family violence and financial abuse.

To support our own role in this whole-of-sector response, we have developed a new [strategy to support a safer energy market for customers affected by family violence](#). This strategy establishes 3 key priorities for the AER:

1. Building organisational awareness and capability within the AER
2. Supporting a regulatory framework that enables safety by design
3. Encouraging regulated entities to prioritise safety in their businesses

These priorities reflect what we have learned through our work in this space so far, including as a member of the advisory group for the safety by design partnership. The strategy builds on our progress to date, including:

- [guidance on expectations for compliance](#) in relation to the [family violence protections](#) introduced into the National Energy Retail Rules in May 2023
- a [Customer engagement toolkit](#), which provides guidance to retailers on identifying and engaging with customers experiencing vulnerability, including customers affected by family violence
- proposed changes to the [Retail Exempt Selling Guideline](#) to require exempt sellers to provide relevant protections to customers affected by family violence
- work to identify opportunities to improve outcomes for customers experiencing payment difficulty and energy debt, including the [Game changer](#) initiative and our [Review of payment difficulty protections in the NECF](#).

As the strategy highlights, we will continue to closely monitor and enforce retailers' compliance with their obligations under the family violence rules. Improving outcomes for customers experiencing vulnerability, including customers affected by family violence, is an enduring [Compliance and Enforcement priority](#) for the AER. From April 2025, retailers are required to self-report breaches of certain family violence rules under our updated [Compliance Procedures and Guidelines](#). From 1 July 2025, under our updated [Retail Performance Reporting Procedures and Guidelines](#), retailers will also be required to report quarterly on the number of customers affected by family violence they are assisting (including how many are on a payment plan or accessing the retailer's hardship program).

We expect our strategy to evolve over time as we continue to learn more about how we can best ensure the energy market is safe for customers affected by family violence. I look forward to working together with both the sector and other regulators to address this crucial issue.

On behalf of the AER, I would like to thank the Essential Services Commission of Victoria for its leadership in establishing the safety by design partnership. We would also like to thank the independent experts who led and contributed to the partnership's important work, including Catherine Fitzpatrick of Flequity Ventures, Thriving Communities Australia, Safe and Equal and the Centre for Women's Economic Safety. We commend the energy businesses who participated in informing this work and extend our gratitude to the victim-survivors who shared their lived experiences to help make essential services safer for all customers. We have heard you.

Yours sincerely,



Clare Savage
Chair, Australian Energy Regulator