Review of the AER exemptions framework for embedded networks

Invitation to submit feedback on proposed new retail conditions in the *Retail Exempt Selling Guideline* (version 7)

June 2025



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Invitation to submit feedback on proposed new retail conditions

The AER is currently finalising version 7 of the Retail Exempt Selling Guideline (Retail Guideline).

In considering public submissions to the <u>draft Retail Guideline</u> (v7), we have identified 2 potential new conditions (proposed by stakeholders) that have not been publicly consulted on to date.

As such, we are inviting interested stakeholders to submit feedback on these 2 proposed conditions before we finalise the guideline.

Proposed condition 1 – Requiring an exempt seller, who on-sells to residential customers, to include contact details of the relevant energy ombudsman scheme on their customers' energy bills.

Stakeholders have observed this condition would bring exempt sellers' billing requirements further in line with authorised retailer requirements under the AER's *Better Bills Guideline*. This proposed condition would support improved customer visibility of an exempt customer's access to dispute resolution services.

Stakeholders have recommended that residential park owners with less than 30 permanent residents should be exempted from this requirement, to limit administrative burden and costs of implementing this change.

Question 1:

Do stakeholders support the inclusion of a new requirement to include energy ombudsman scheme contact details on their exempt customers' energy bills? If no, please provide details.

Question 2:

Do stakeholders agree that residential park owners with less than 30 permanent residents should be exempted from this requirement, and if so, please provide reasons? If no, please provide details.

Question 3:

If implemented (with or without the exemption in question 2), how long of an adjustment period would exempt sellers, or their billing agents, need to update their billing systems/processes to ensure compliance with this requirement.

Proposed condition 2 – Requiring an exempt seller to refund any credits applied to its customer's account upon termination of the customer's energy supply agreement.

Existing Condition 13 (Rebates and Concessions) of the <u>Retail Guideline</u> (v6 and draft v7) sets out that if a government or non-government energy rebate, concession or assistance under a relief scheme can only be claimed by the exempt seller on behalf of the eligible exempt customer, then, assuming there is no legal impediment, the exempt seller must make that claim and, if successful, must apply the rebate, concession or assistance to the exempt customer's next bill, and apply the rebates as a credit to the customer's account.

We are aware of instances whereby exempt sellers, upon termination of a customer's energy supply agreement, have failed or refused to refund credits that have been applied to the customer's energy account.

A requirement to refund any credit applied to an exempt customer's account, upon termination of the customer's energy supply agreement, is necessary to ensure customers are not denied their rights to be able to access such financial support or funds.

We consider the proposed requirement would best sit under existing Condition 22 (Termination of energy supply agreement) in the Retail Guideline. This condition would not be limited to credits resulting from energy rebates and may apply to other credit scenarios. For example, where a customer has overpaid their energy bill before leaving the embedded network.

Question 4:

Do stakeholders support the inclusion of a new requirement, under existing Condition 22 (Termination of energy supply agreement) of the Retail Guideline, which requires an exempt seller to refund any credits on an exempt customer's account upon termination of the customer's energy supply agreement. If no, please provide details.

Invitation for submissions

We invite interested parties to make written submissions to the AER, responding to Questions 1-4, by **7 July 2025**.

1.1 Background

On 17 March 2025 we released the Review <u>draft decision</u> for public consultation, alongside the draft Retail Guideline and draft Network Exemptions Guideline (both version 7), as part our *Review of the AER's exemption framework for embedded networks*.

The *Notice of Draft Decision* set out the information we received, how we have considered stakeholders' feedback, and the proposed actions we have taken to amend the guidelines to strengthen protections for consumers and increase our visibility of embedded networks. It also set out our reasoning for the proposed guideline amendments.

Stakeholders were invited to provide submissions on the draft guidelines, via a public consultation, which closed on 28 April 2025.

You can read more about the Review of the exemptions framework for embedded networks here.