

16 July 2025

Dear Retailer / Distributor

AER enforcement outcome – Life support obligations

Compliance with the life support obligations under the National Energy Retail Rules (**Retail Rules**) and the National Energy Retail Law is vital for protecting consumers experiencing vulnerability. Ensuring compliance with these critical rules and laws is an enduring priority for the Australian Energy Regulator (**AER**)¹ and the AER will take enforcement action where there is serious non-compliance.

In May 2025, Powershop Australia Pty Ltd (**Powershop**) paid penalties totalling \$542,400 following the issue of 8 infringement notices by the AER for alleged breaches of several life support obligations under Part 7 of the Retail Rules.²

The AER alleged Powershop:

- failed to register customers as requiring life support equipment when advised by the customer, as required by rule 124(1)(a) of the Retail Rules;
- failed to provide a customer with a life support information pack within the required timeframe, as required by rule 124(1)(b) of the Retail Rules;
- failed to notify the distributor of customers as requiring life support equipment when advised by each customer, as required by rule 124(1)(c) of the Retail Rules; and
- deregistered a life support customer without providing written notification to the customer regarding the deregistration, as required by rule 125(1) of the Retail Rules.

Further information on this matter is available in the [AER's media release](#).

¹ [Compliance and Enforcement Priorities for 2025-26](#).

² Breaches of the life support obligations in the Retail Rules carry maximum civil penalties of the greater of \$11.06 million, three times the value of the benefit gained from the breach (if this can be ascertained), or 10% of the relevant entity's annual turnover (if the benefit cannot be ascertained).

AER expectations

The AER expects retailers and distributors to ensure they maintain compliance with life support obligations under the Retail Rules. These obligations are critical to ensuring the safety and wellbeing of customers who depend on life support equipment.

Maintain robust policies, systems and processes

It is crucial that retailers and distributors have robust internal policies, systems and processes in place to comply with their obligations to ensure customers who require life support equipment receive the required protections.

This should cover the full end-to-end customer life cycle. As part of this, the AER expects retailers and distributors to ensure it is clear and easy for a customer to advise they require life support equipment, including during the sign-up process, across all methods available for sign up (e.g. through the retailer's website, call centre or third-party services).

To support compliance, retailers and distributors may automate certain steps such as sending life support information packs, medical confirmation forms and reminder notices. However, the AER encourages retailers and distributors to conduct regular internal audits to ensure system automation is functioning as intended and compliant with the life support obligations.

Additionally, retailers and distributors could consider embedding mechanisms such as prompts or reminders into their systems to support staff (including any third-party agents contracted by a retailer or distributor) to appropriately and consistently follow all life support processes.

The AER expects retailers and distributors to undertake ongoing reviews of their systems and processes to ensure they are effectively and accurately implemented and remain fit for purpose.

Adequate staff training

Training for relevant staff (including third-party agents contracted by a retailer or distributor) is important to ensure they understand what constitutes life support equipment, the life support obligations and can appropriately apply all the relevant protections under the Retail Rules. Retailers and distributors should also ensure that staff understand what a sensitive load is and the distinction between when a site should be registered as life support or sensitive load. Where both life support and sensitive load apply to a particular site, the site is required to be registered as life support in AEMO's system.³

Retailers and distributors should conduct training when onboarding new staff as well as frequent refresher training throughout their employment. This should be complemented by workplace resources that provide clear and practical guidance.

³ [AEMO B2B procedure: customer and site details notification process](#) v3.8, effective 30 May 2023, p 22.

Retailers and distributors should also encourage and support staff to seek clarification when they are unsure or do not understand a requirement.

The AER also encourages retailers and distributors to ensure staff understand the serious consequences that failures to appropriately apply the protections can have for the safety and wellbeing of customers who depend on life support equipment.

Undertake regular compliance monitoring and assurance activities

Retailers and distributors should actively monitor their compliance with the life support obligations, including through regular internal audits and control testing. The AER expects retailers and distributors to have controls in place to facilitate proactive and timely identification and rectification of potential breaches. This could include regular reports and triggers for manual review. For example, applying voice analytics software to customer call recordings to detect words related to life support to trigger review of whether the customers were registered for life support, where required.

Where issues are identified, they should be escalated and remediated promptly, and lessons should be incorporated into process improvements. Compliance responsibilities should also be clearly allocated within the business.

Continuously improve risk and compliance frameworks and accountability

The AER encourages retailers and distributors to regularly review and enhance their frameworks, including in response to industry developments, enforcement outcomes, internal findings, and technological advancements. This should include regular review of controls and staff training to ensure they remain effective and what, if any, further action should be taken to maintain compliance. This should also include reviewing incidents or near misses involving life support customers to identify and address any systemic deficiencies and implement measures to prevent recurrence.

Reporting non-compliance

Where a potential breach of a life support obligation is identified, retailers and distributors must self-report the potential breach to the AER in accordance with section 274 of the National Energy Retail Law and the AER's [Compliance Procedures and Guidelines](#). Many of the life support obligations are required to be reported immediately.

The AER will consider appropriate regulatory action in line with the AER's [Compliance and Enforcement Policy](#).

Further information regarding the AER's expectations and practical guidance on how to comply with the relevant obligations is available in the AER's [Life Support Registration Guide](#).

The AEMC received a [rule change request related to the life support rules](#) in August 2024 and the life support rule change process is [anticipated to commence in early 2025/26](#). We encourage retailers and distributors to participate in the consultation.

If you wish to discuss any of the matters raised in this letter or have any queries, please contact the Retail Compliance team at retailcompliance@aer.gov.au.

Yours sincerely

Rebecca Holland
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Compliance and Enforcement