



First Nations Clean Energy Network

**Submission to the Australian Energy Regulator on minimum
disconnection amount and NECF payment protections**

May 2025



Overview

The [First Nations Clean Energy Network](#) (the Network), welcomes the opportunity to provide a submission in response to the Australian Energy Regulator's (AER's) minimum disconnection amount and review of payment difficulty protections in the NECF.

We commend the Australian Energy Regulator for undertaking a comprehensive and thoughtful review of payment difficulty protections within the NECF. Your acknowledgement of the persistent assistance gap, ineffective engagement, and over-reliance on disconnection demonstrates a serious commitment to improving outcomes for energy consumers.

We also acknowledge the AER's proposal to increase the minimum disconnection amount from \$300 to \$500 as a positive step toward strengthening protections for customers in payment difficulty. The proposed \$500 minimum disconnection amount is a valuable policy step, but it must be paired with **equity-based design principles** and **explicit recognition of how disconnection manifests differently for First Nations households**, especially those using prepayment meters, card operated or living in remote housing.

About the First Nations Clean Energy Network

The [First Nations Clean Energy Network](#) (Network) is made up of First Nations people, groups, community organisations, land councils, unions, academics, industry groups, technical advisors, legal experts, renewables companies and others - working in partnership to ensure that First Nations share in the benefits of Australia's clean energy transition.

The Network is led by a Steering Group of First Nations leaders.

Australia's rapid transition to renewable energy will require access to vast areas of land and waters, including for thousands of kilometres of new transmission infrastructure. Enabling and empowering First Nations to play a key and central role in Australia's renewable energy transition goes beyond just social licence issues - it presents a unique opportunity for Australia to design a system that is fair and just and which can also positively impact and result in other social and economic benefits for First Nations.

As a national, First Nations-led coalition, the Network aims to enable and empower First Nations to participate in, benefit from, respond to, and shape renewable energy projects that impact their communities, land, waters and Sea Country.

The First Nations Clean Energy Network's approach is built on three pillars:

- Community The First Nations Clean Energy Network supports First Nations communities to shape the design, development and implementation of clean energy projects at every scale

- **Industry partnerships** The First Nations Clean Energy Network acts as an innovation hub, promoting best practice standards and principles that companies should adopt and investors should require before committing capital to a clean energy project
- **Policy reform** The First Nations Clean Energy Network advocates to lift significant federal and state regulatory barriers and stoke government investment, removing regulatory barriers to energy security and clean energy generation

Extend the intent of the disconnection threshold to cover prepayment & card operated systems

In principle, we agree with an increase to \$500 for the minimum disconnection amount, which is based on average energy bills. Averages can obscure structural inequities — especially where homes are inefficient and climate conditions demand high energy use for survival. Therefore, we recommend adding additional **tiered or regional considerations** in hardship engagement, where energy needs or disconnection risks are consistently higher.

We also note that the current minimum disconnection amount applies only to standard billing arrangements. First Nations customers using card operated and prepayment meters experience de facto disconnections far more frequently and with fewer rights or safeguards.

With this in mind, we recommend the AER:

- Advocate for the extension of disconnection safeguards to card operated and prepayment meter users, including reporting requirements for self-disconnections and thresholds for minimum credit support.
- Coordinate with jurisdictional regulators (e.g., NT and WA) and Energy Ministers to ensure that remote First Nations households receive equivalent protections.
- Clarify in final guidance that energy access interruptions due to prepaid credit loss are within the scope of disconnection concerns and must be addressed under the AER's consumer vulnerability strategy.

The NECF needs to meaningfully address the needs of First Nations communities

The *Findings Report* misses a critical opportunity to **explicitly and meaningfully address the needs of First Nations communities**—a population significantly overrepresented in measures of energy hardship, disconnection, and socio-economic disadvantage. Without deliberate and sustained efforts to centre First Nations equity, the reforms risk reinforcing systemic exclusions.

We urge the AER to embed **First Nations-specific actions, obligations, and voices** into the next phase of reform design, implementation, and accountability. We have written the below key recommendations

1. Make First Nations Energy Equity an Explicit Regulatory Priority

The current report references "customers with specific needs" but does not clearly identify or respond to First Nations communities as a distinct group facing structural disadvantage.

We ask the AER to:

- Explicitly name **First Nations energy justice** as a priority in future regulatory documents, strategic plans, and frameworks.
- Ensure that all proposed reforms — particularly those regarding engagement, communication, and access to assistance — consider **cultural safety, intergenerational trauma, and geographic inequity** affecting First Nations households.
- Collect and publish disaggregated data on disconnection rates and energy insecurity among card metered and prepayment customers in First Nations communities to inform policy and program development.
- First Nations households using card operated and prepayment meters experience frequent disconnections, sometimes every few days, especially during extreme weather conditions. **NECF Protections need to be extended to card operated and prepayment customers** to ensure that these customers receive equivalent consumer protections as post-paid customers, including safeguards against disconnection and access to hardship programs.

2. Strengthen Engagement Standards to Include First Nations Cultural Safety

We support Opportunities 2–4 around improving the quality and accessibility of information and engagement. However, these should not remain culturally neutral.

We recommend the AER:

- **Mandate culturally safe communication standards** for all retailers, with input from Aboriginal and Torres Strait Islander communities.
- Require **First Nations specific engagement protocols** as part of retailer obligations — including meaningful collaboration with local community organisations, Elders, and community workers. As community members who are facing hardship may not have access to phone data, internet or ways to connect to energy retailers.
- Support training for retailers in **culturally responsive practices**, particularly in frontline engagement and actively consider a First Nations call centre for retailers.

3. Build Identification and Early Support Pathways that Reflect First Nations Realities

We support Opportunity 1 to introduce a single, inclusive definition of payment difficulty. To ensure this delivers equity, the AER should:

- Ensure the definition includes barriers related to **cultural stigma, institutional distrust, and limited service access**, which disproportionately affect First Nations people.
- Promote **early triggers** for support that do not rely on self-identification or written/phone contact alone — such as multiple missed bills, known postcode indicators of disadvantage, or referrals from trusted Aboriginal Organisations ie. their local Aboriginal Community Controlled Organisation.

4. Improve Access to Assistance That Reduces Long-Term Energy Costs

The report rightly identifies the lack of practical support to reduce future energy costs. For many First Nations communities — especially in regional or remote housing — this is a critical missing piece.

We ask the AER to:

- Encourage and fund initiatives that enable First Nations communities to develop and manage their own energy solutions, such as community-owned renewable energy projects.
- Enable access to renewable energy for vulnerable communities and consider an ‘equity tariff’ to ensure those who are most at risk aren’t further disadvantaged by late adoption of renewable energy.
- Embed **energy efficiency and cost-reduction support** (audits, plan optimisation, appliance upgrades) as minimum requirements for customers in payment difficulty (Opportunity 7).
- Advocate for **dedicated funding mechanisms** to deliver these supports in First Nations housing, including partnerships with state housing bodies and First Nations housing providers.

5. Ban Reconnection Fees and Explore Disconnection Alternatives in Community Contexts

Energy infrastructure and retailers operate across First Nations Countries and when disconnection occurs it can cause further frustrations and bring up the historical injustices faced by First Nations peoples.

We support Opportunity 12 and encourage the AER to go further by:

- Banning **reconnection fees for all low-income households**, with priority protections for remote First Nations communities.
- Supporting localised **community-first risk management models** (e.g., pre-disconnection mediation, shared hardship funds, or community energy coordinators) in high-risk areas.

6. Establish Ongoing First Nations Advisory and Accountability Mechanisms

We note the consultation process included many stakeholders, but First Nations representation is not clearly described.

We recommend that the AER:

- **Establish a First Nations Energy Advisory Panel** to guide NECF reforms and future energy market design.
- Include **First Nations voices on the AER Customer Consultative Group** or create a dedicated stream for First Nations consumer advocacy.
- Disaggregate hardship and disconnection data by **First Nations communities**, where possible, to measure reform impact.

Our contact details

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