



18 June 2025

General Manager, Policy
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Email: consumerPolicy@aer.gov.au

Dear Sir/Madam

Review of the Minimum Disconnection Amount – Draft Decision

Origin Energy (Origin) welcomes the opportunity to respond to the AER's proposal to increase the minimum amount of outstanding debt a customer must have before a retailer can arrange for a customer to be disconnected.

We do not support the proposal is to increase the amount from \$300 to \$500 (including GST).

Disconnection for non-payment is always treated as a last resort. While we make every effort to avoid this outcome, our experience demonstrates that early awareness of disconnection significantly improves customer engagement and increases uptake of available payment support.

The proposed increase to the minimum disconnection amount is likely to reduce early engagement and delay timely intervention as retailers would be unable to reference disconnection until the higher threshold is reached. In some cases, customers could be more than two full quarterly billing cycles (or 5 monthly bills) in arrears before disconnection can even be raised - by which point their debt may have grown to nearly \$1,000. This delay weakens the effectiveness of our engagement efforts and limits our ability to provide early support to customers who need it most.

We have a comprehensive hardship program in place and all communications regarding overdue amounts include clear information on available assistance and we actively encourage early engagement from customers experiencing financial difficulty.

When disconnection is not presented as a possible outcome, we observe a material decline in customer engagement. This was particularly evident during the COVID-19 pandemic when disconnections were paused. When disconnections resumed through our billing platform, we saw a sharp increase in engagement with many customers expressing frustration that their debt had been allowed to accumulate to such high levels. This experience clearly demonstrated that the potential for disconnection acts as a critical trigger for customers to respond and seek help.

Origin supports periodic review of the amount rather than annual indexations. Annual indexations will not result in a whole number, which goes against the AER's supporting arguments.

Finally, if this proposal is adopted, we require a 6-month implementation timeframe to make the necessary system, process and customer communication change.

Should you have any questions or wish to discuss this information further, please contact Caroline Brumby on [REDACTED]

Yours sincerely

[REDACTED]
Sean Greenup
Group Manager Regulatory Policy