Australian Government

AUSTRALIAN ENERGY REGULATOR

Quarterly retail performance update

October – December 2025

March 2026

Introduction

This report provides a summary of information reported by energy retailers in regions that have adopted the National Energy Customer Framework (NECF) – New South Wales, Queensland, South Australia, Tasmania and the Australian Capital Territory – in accordance with the AER (Retail Law) Performance Reporting Procedures and Guidelines.

Data in the report is for the October to December 2025 quarter or as at 31 December 2025.

Analysis is presented in 3 sections:

1. Market overview
2. Affordability metrics, including pricing, debt, payment plans, hardship and disconnections
3. Customer service, focusing in this report on complaints.

From 1 July 2025 energy retailers have been required to report a broader range of data to enable the AER to more effectively monitor the retail market and consumer outcomes. This includes data on:

- customers in embedded networks – which are privately owned energy networks, including retirement villages, caravan parks and shopping centres; data collected on these customers is from authorised retailers only
- customers affected by family violence
- customers registered as requiring life support equipment
- meter and tariff types
- expanded debt and billing complaint metrics.

Key insights – October to December 2025 (Q2 2025–26)

Our expanded data collection provides valuable insights into different customer segments in the retail energy market

From 1 July 2025 retailers have been required to report new and refined data metrics that give us a deeper understanding of the retail energy market – particularly vulnerable groups of customers. This enhanced collection of data shows:

- **Energy debt** and the ability of customers experiencing financial difficulty to repay debt and current usage costs remains a concern. The average electricity and gas debt held by customers participating in a hardship program has increased significantly since the same time last year. This deepens the challenge of repayment and further highlights the need for retailers to provide effective and timely support.

- Customers affected by **family violence** experience higher levels of payment difficulty and are significantly more likely to be in a hardship program or on a payment plan. Monitoring these metrics is a priority for the AER because it allows us to track retailers' compliance efforts to identify customers affected by family violence and offer them a range of appropriate support options.

- Those who rely on **life support equipment** depend on a reliable supply of energy to keep their equipment operational. However, customers who are registered as requiring this protection but have not provided the necessary medical confirmation are at risk of being deregistered, which means they could be disconnected in accordance with the National Energy Retail Rules (NERR). We will continue to monitor this metric because it is an important indicator of how retailers are engaging with customers requiring life support equipment and may indicate potential compliance issues. The life support provisions in the NERR ensure customers with life support equipment are protected from disconnection, are informed of planned interruptions and, in the case of unplanned interruptions, are given an emergency contact number as well as information to prepare a plan of action.

- The vast majority of customers in an **embedded network** are on off-market contracts. While these customers are reported as having similar rates of electricity debt to customers overall, they are significantly less likely to be receiving assistance via a payment plan or a hardship program. This indicates they may not be receiving the protections they are entitled to or the support they require.

- The transition to **smart meters** is progressing. A majority of customers in National Energy Retail Framework (NECF) regions now have meters that allow them to track usage and access a wider range of tariffs, including time of use tariffs and the Solar Sharer Offer. Regardless of this, most customers remain on plans with a flat or single rate tariff.

Market overview

(October to December 2025)

Residential customer numbers

7,021,233
Electricity
1.1% year-on-year increase

2,341,986
Gas
0.1% year-on-year increase

Number of customers by segment – new metrics from 1 July 2025

213,857
Embedded networks
3.0% of residential electricity customers

228,718
Life support
3.3% of residential electricity customers

44,155
Family violence
0.6% of residential electricity + gas customers

Small electricity customers, by meter type

60% Smart meter

36% Accumulation meter

4% Other advanced meter

Small electricity customers, by tariff type

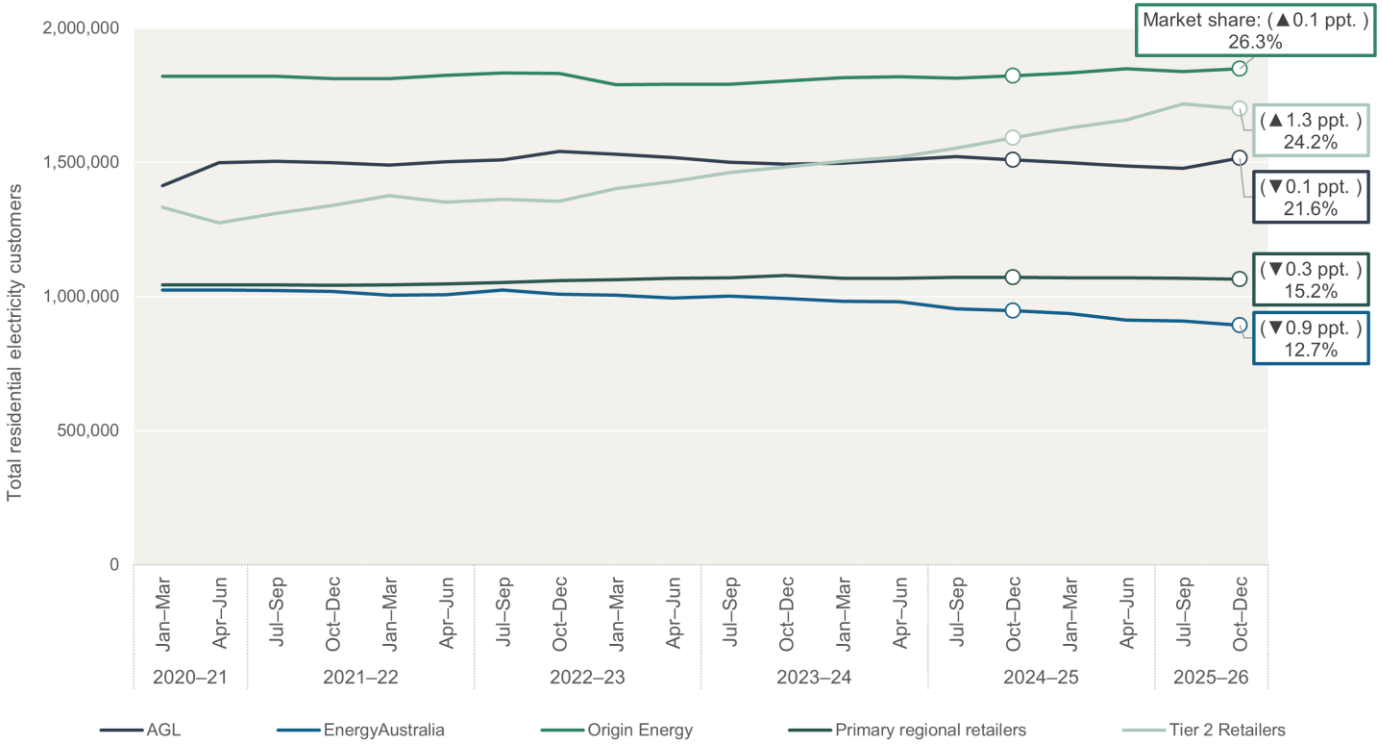
68% Flat tariff

23% Time of use tariff

9% Other tariff types

New data provides a deeper understanding of the retail energy market and customer segments

Market share of residential electricity customers, by retailer group



Note: AER data refers to embedded networks as serviced by authorised energy retailers.

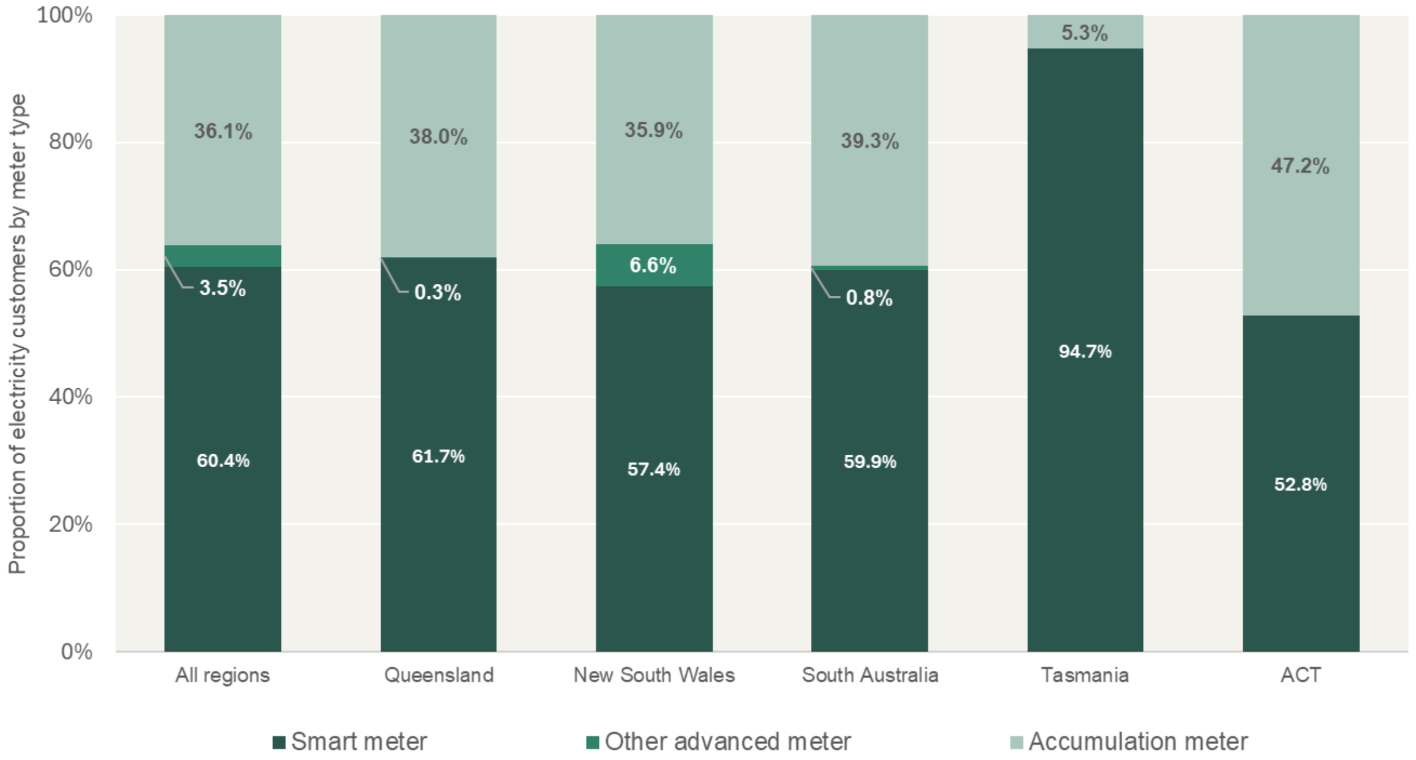
Source: AER, Schedule 2 – Retail Performance Data Q2 2025–26.

- At 31 December 2025, there were just over 7 million residential electricity customers across the NECF regions. Of these:
  - 213,857 or 3.0% of authorised retailers' customers were in an **embedded network**, with 96% of these in an off-market contract. This means there is limited visibility over their energy costs and they may have less negotiating power in relation to their tariff and provider.
  - 228,718 or 3.3% were **registered as requiring life support equipment**. Of this group, 157,263 (or 69%) have provided medical confirmation. This is an important step because without it the retailer/distributor can deregister the customer. In October to December 2025, 19,915 (or 8.7%) life support customers were deregistered. Ensuring the accuracy of the life support register is important and we will continue to monitor the metrics to ensure participants appropriately maintain the register.
  - 44,155 or 0.6% of customers were registered as **affected by family violence**.

Across all jurisdictions, 60% of small electricity customers have a **smart meter** installed

- Smart meters allow for real-time data on energy usage and remove the need for estimated bills and manual readings. They also allow customers to have more options to access different electricity tariffs, such as time of use tariffs and the Solar Sharer Offer.
- Overall, at 31 December 2025, 60% of customers across the NECF regions had a smart meter installed.
- Smart meter installation rates varied by region. Tasmania has completed significantly more of its rollout of smart meters, with 94.7% of customers on a smart meter. The ACT has the lowest installation rate at 52.8%.

Small electricity customers, by meter type, by region



Note: Smart meters are type 4/4A and record electricity usage in 30-minute intervals. They have remote reading capability, although type 4A meters have this capability disabled. Other advanced meters includes type 5 meters that are read manually by a meter reader. Accumulation meters are type 6 meters and measure the total amount of electricity consumed over a period of generally 90 days and are read manually by a meter reader. Percentages may not add to 100% in a jurisdiction due to rounding.

Source: AER, Schedule 2 – Retail Performance Data Q2 2025–26. Results are at 31 December 2025.

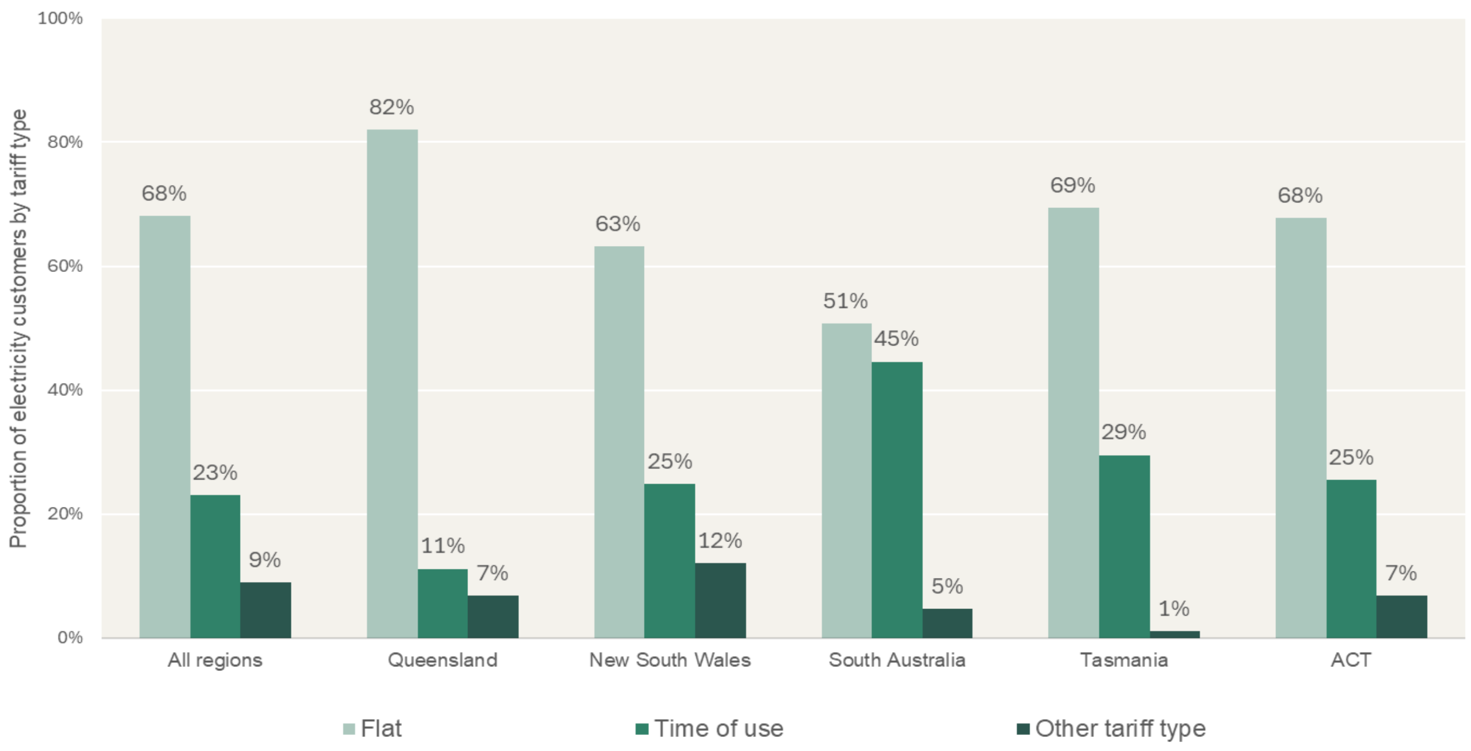
Most small electricity customers are on a flat or single rate tariff

- 68% customers across the NECF are on a flat or single rate electricity tariff, which charges a constant, predictable price regardless of the time of day.

- 23% of customers are on a time of use tariff, which means the price they pay for electricity changes at different times of the day. To receive the benefit of time of use tariffs, some customers may need to adjust their usage patterns.

- Differences in tariff type take up across regions may reflect customer behaviour and policy settings. Heavily subsidised in the past, solar PV has achieved the highest instalment rate across the NECF region. As a result, South Australia has the largest proportion of customers on time of use tariffs at 45%.

Small electricity customers by tariff type, by region



Note: Other tariff types include two-way tariffs, which allow for customers to be credited for exporting energy generated by solar panels back into the grid, and cost-reflective tariffs, which are energy price structures that charge consumers based on the actual cost to supply electricity, often varying by time of use and demand level.

Source: AER, Schedule 2 – Retail Performance Data Q2 2025–26.

Affordability

(October to December 2025)

Residential customers with debt 90 days or more (does not include hardship customers)

Electricity
159,909
2.3% of customers
Average debt $1,812

Gas
64,281
2.7% of customers
Average debt $767

Residential customers on payment plans

Electricity
103,278
1.5% of customers

Gas
28,088
1.2% of customers

Residential disconnections

Electricity
6,230
0.09% of customers

Gas
1,498
0.06% of customers

Residential customers on a hardship program

Electricity
140,894
2.0% of customers
Average hardship debt $2,392

Gas
33,264
1.4% of customers
Average hardship debt $1,058

Note: Customers in hardship programs can have debt of any age

Customers who have successfully completed a hardship program

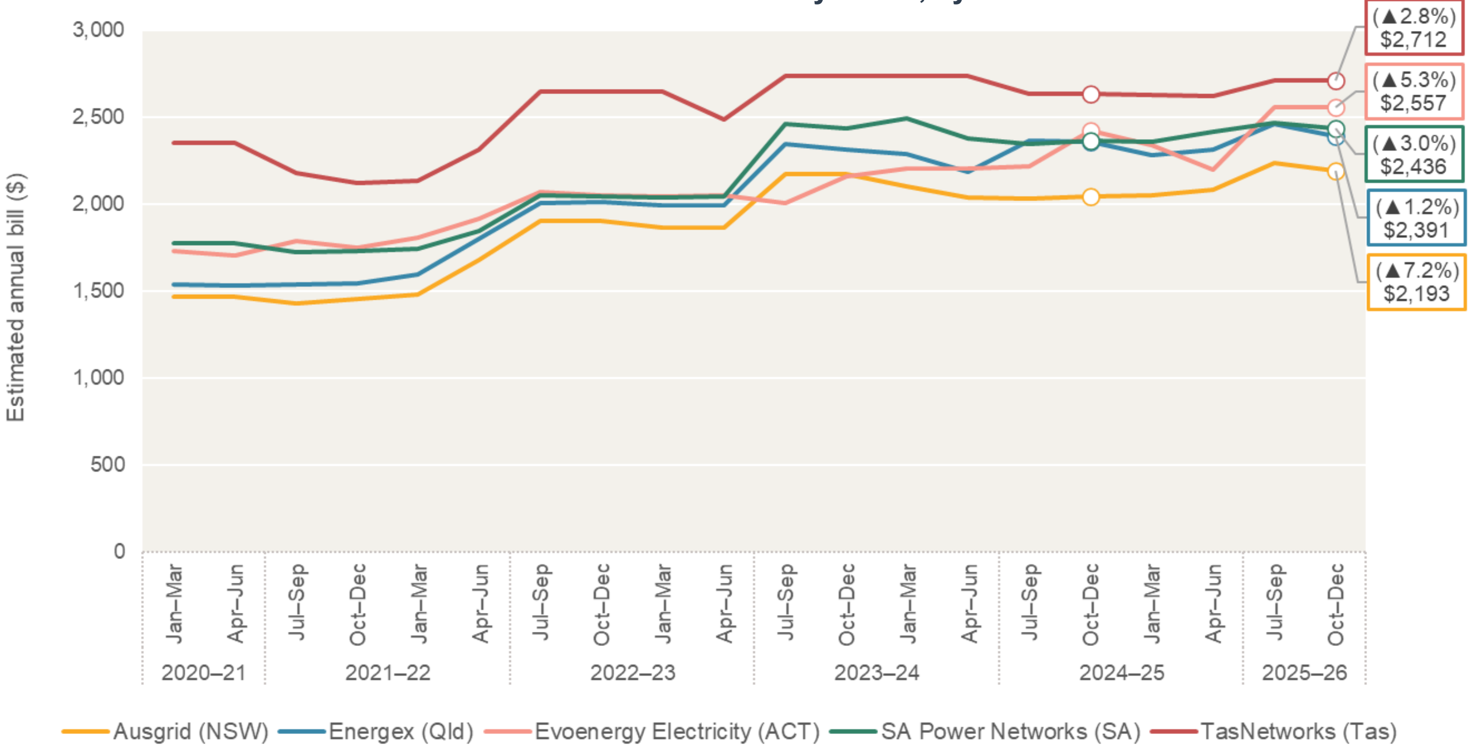
Electricity
11,161
26% of customers exiting hardship program

Gas
2,751
23% of customers exiting hardship program

Median electricity market offers were higher than the same time last year

- In the 12 months to 31 December 2025, electricity median market offers increased in all distribution regions – ranging from a 1.2% increase in Queensland to a 7.2% increase in the New South Wales.
- A typical customer moving from the median market electricity offer to the lowest offer in their distribution region could achieve savings ranging from $200 in Queensland to $420 in South Australia.
- Analysis demonstrates that customers in DMO regions who move from a standing offer to the median market offer can save on their electricity bills. Potential savings range from 4% in South Australia up to 11% in New South Wales.

Residential median market electricity offers, by distribution network



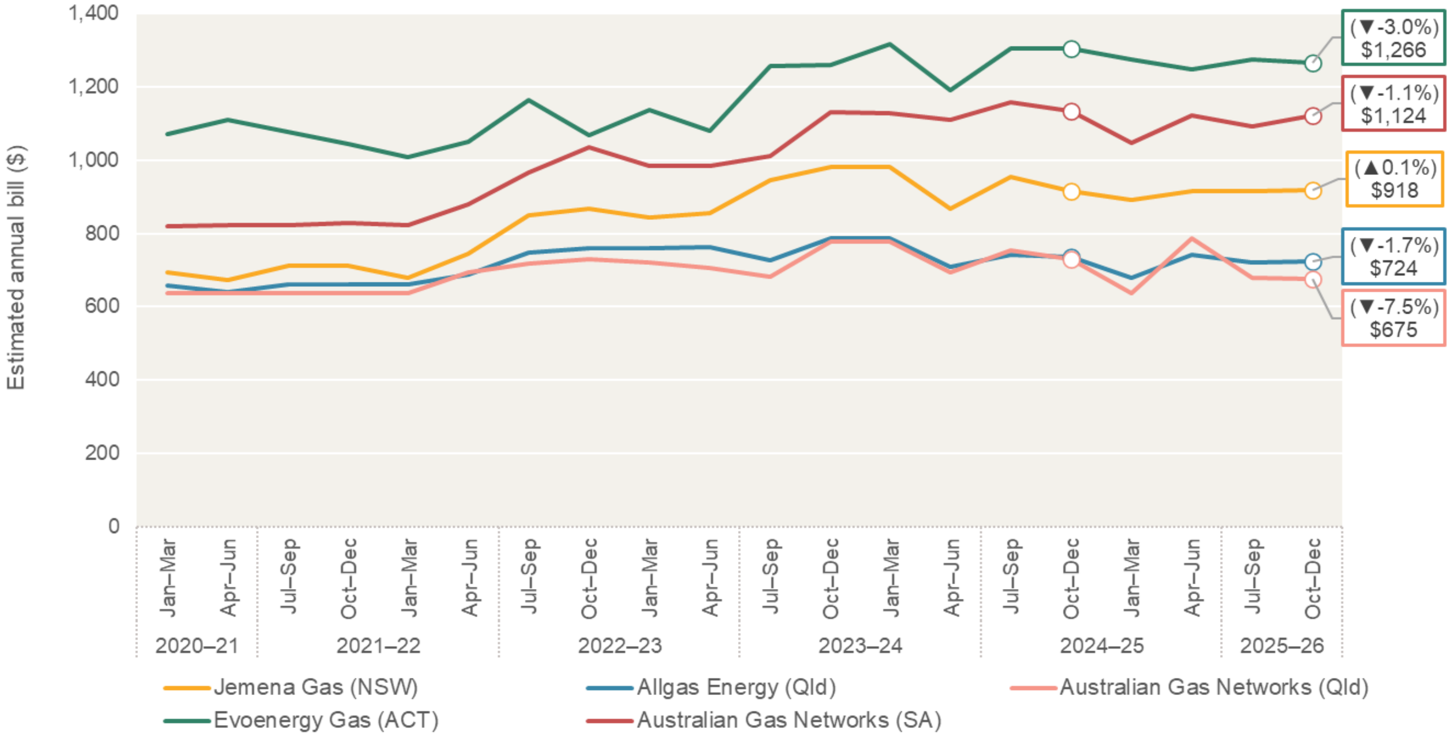
Note: Pricing data is based on generally available, residential flat rate electricity market offer prices published at 31 December 2025.

Source: AER analysis using offer data from Energy Made Easy.

Gas median market offers have marginally decreased over the past 12 months

- In the 12 months to 31 December 2025, gas median market offers were marginally lower across most regions. Australian Gas Networks recorded the largest decrease of 7.5%.
- By switching from the median market offer to the lowest offer in their distribution region, a typical gas customer could save between $111 in Queensland and $216 in South Australia.

Residential median market gas offers, by distribution network

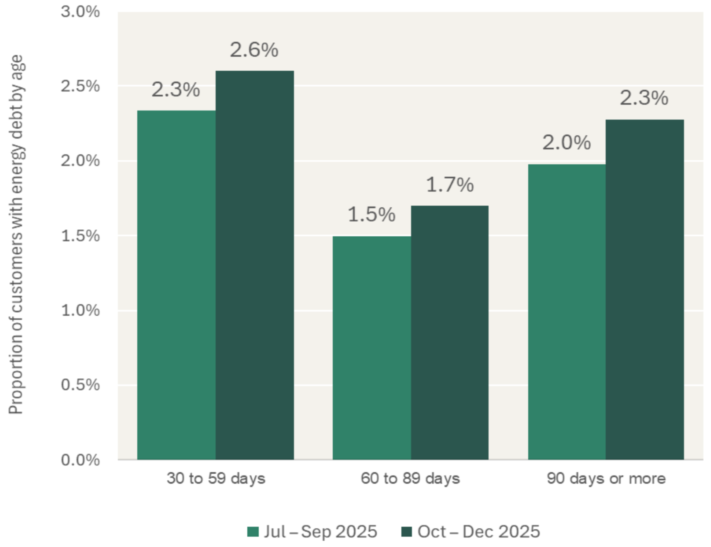


Note: Pricing data is based on generally available, residential flat rate gas market offer prices published at 31 December 2025.

Source: AER analysis using offer data from Energy Made Easy.

Expanded debt metrics show older debts are significantly higher and these customers face greater challenges meeting their repayments obligations

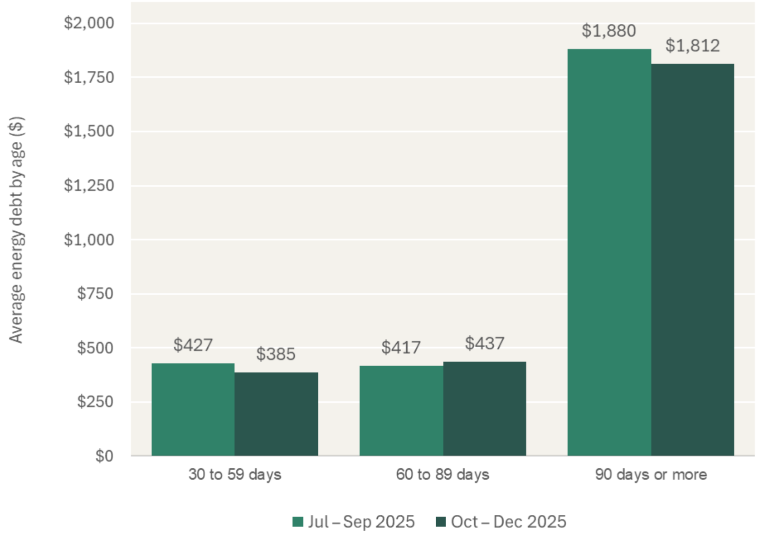
Proportion of residential electricity customers with debt, by age of debt



Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26.

- At 31 December 2025, **2.3%** of residential electricity customers had a **debt 90 calendar days or more** and 4.3% had a debt less than 90 calendar days.
- Electricity debt rates among embedded network customers are slightly different – 2.0% have debt 90 days and older and 5.0% have debt less than 90 calendar days.

Average amount of residential electricity debt, by age of debt

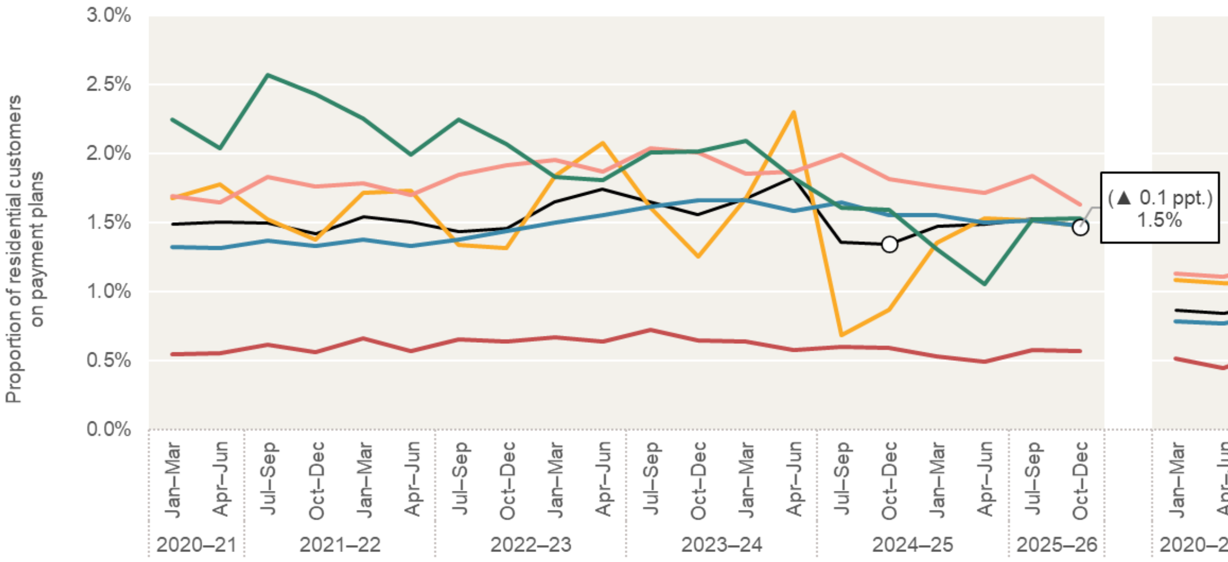


Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26.

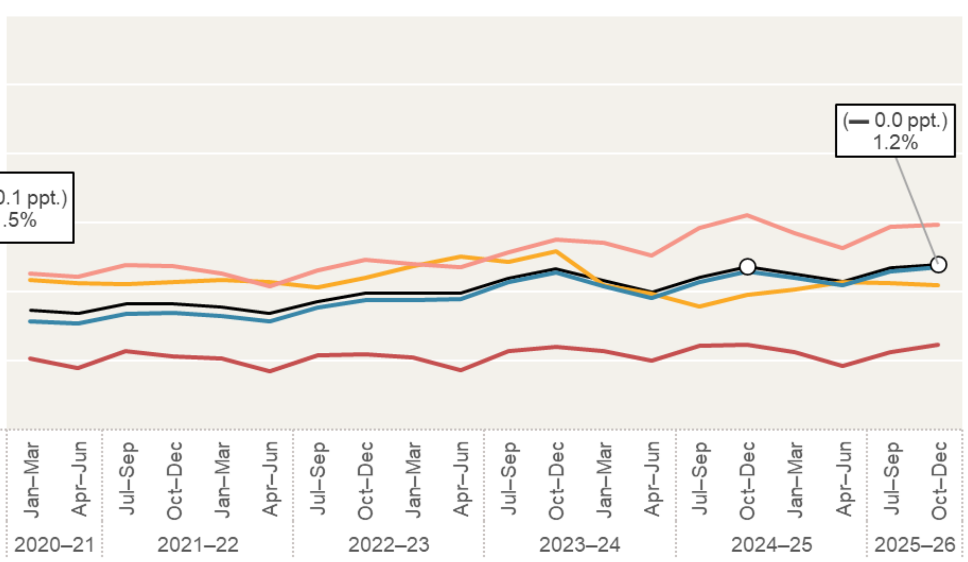
- New data collected from 1 July 2025 shows the extent to which residential customers in debt for 90 days or more hold significantly higher **average debts** than customers who have been in debt for less than 90 days.
- Average debt for residential electricity customers with debt 90 calendar days or more was **$1,812** and average debt for embedded network customers was **$653**.

Proportion of customers on a **payment plan** is similar to same time in 2024

Proportion of residential electricity customers on a payment plan



Proportion of residential gas customers on a payment plan

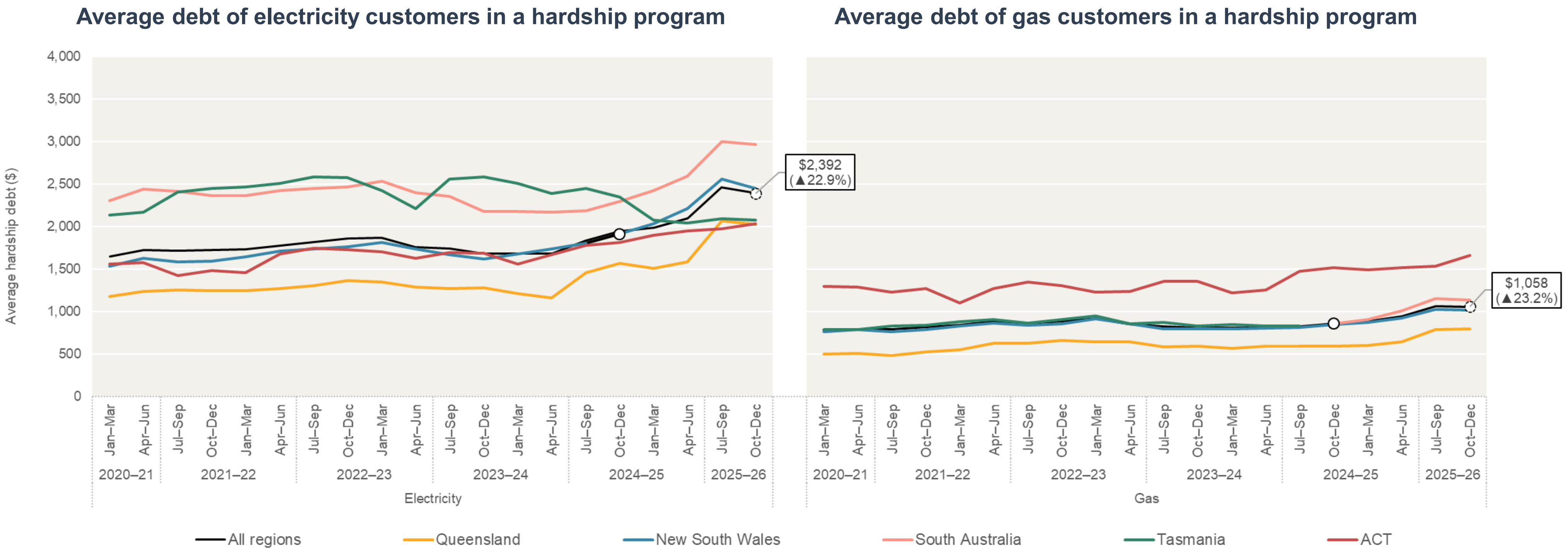


All regions — Queensland — New South Wales — South Australia — Tasmania — ACT

Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26. Results are at 31 December 2025.

- At 31 December 2025, **1.5% of residential electricity** customers were on a **non-hardship payment plan**, with an average fortnightly repayment of $165.
- 1,325 (0.6%) customers in embedded networks and 1,394 (3.2%) customers affected by family violence were on an electricity payment plan.
- Of residential gas customers, **1.2% were on a payment plan**, with an average fortnightly repayment of $81.
- 413 (0.9%) customers affected by family violence were on a gas payment plan.

Average debt of customers in hardship programs increased over the past year



Source: AER, Schedule 4 – Retail Performance Data Q2 2025–26, results are as at 31 December 2025.

- At 31 December 2025, **2.0% of residential electricity customers were on a hardship program** with an average debt of $2,392 – this amount is 22.8% higher than the year prior. Retailers attributed the increase in average hardship debt to customers entering hardship programs with higher levels of debt and some having ongoing usage costs higher than repayment amounts.

- 1,229 (0.6%) customers in embedded networks and 12,011 (27.2%) customers affected by family violence were on an electricity hardship program.

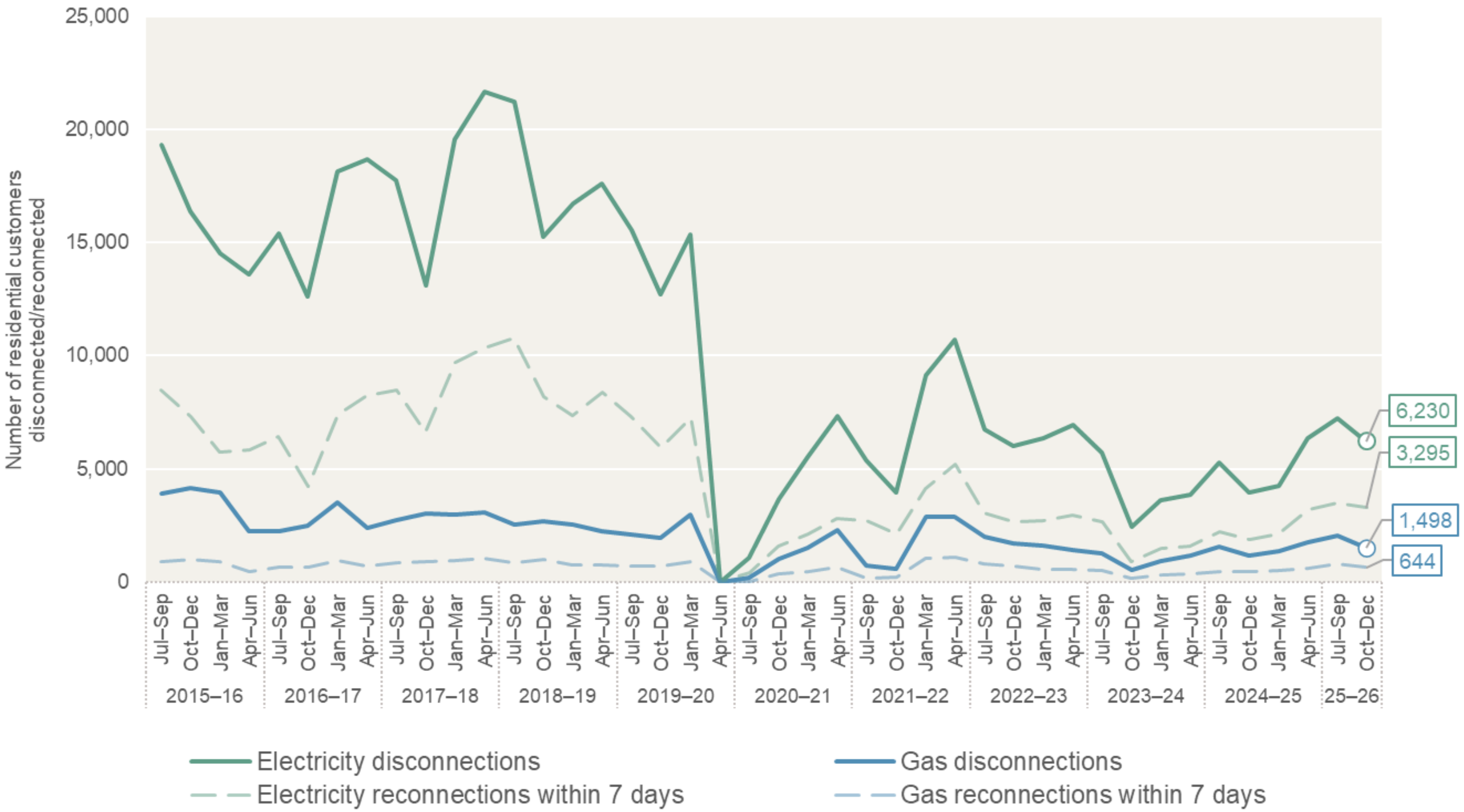
- As at 31 December 2025, **1.4% of residential gas customers were on a hardship program**. Average debt for these customers was $1,058 - 23.2% higher than a year prior.

- 3,091 (7.0%) customers affected by family violence were on a gas hardship program.

Residential electricity disconnections increased in the year to December 2025

- In the October to December quarter 2025, 6,230 residential electricity and 1,498 residential gas customers were disconnected, with around half reconnected within 7 days.
- At the time of disconnection, the average debt was $2,622 for residential electricity customers and $1,298 for gas customers.
- The AER raised the disconnection threshold – from 1 July 2026, retailers will not be able to disconnect customers for non-payment if their debt is less than $500. We will continue to closely monitor the rate of disconnections.

Number of residential electricity customers disconnected and reconnected within 7 days



Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26.

Customer service

(October to December 2025)

Retailer call centre responsiveness

Number of calls received	Calls taken within 30 seconds	Average wait time	Calls abandoned before answer
2,108,757	53%	3.7 min	10%

Small customer complaints to retailers

44,119
Number of complaints
0.6% of customers

Billing	Smart meters	Customer transfer	Marketing	Other
61%	6%	4%	4%	25%

Small customer complaints to ombudsmen

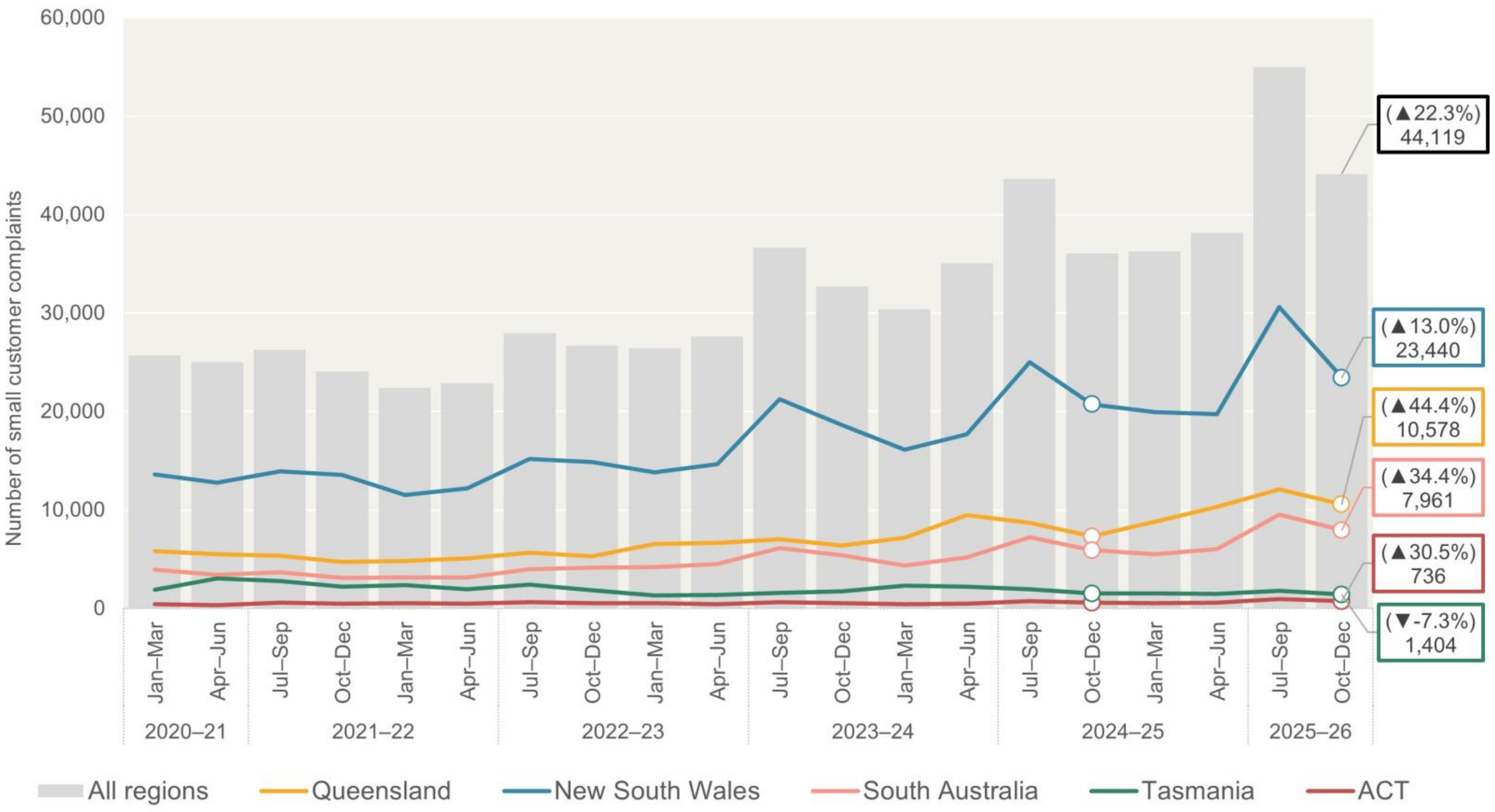
8,544
Number of complaints
0.1% of customers

Billing	Smart meters	Customer transfer	Marketing	Other
78%	3%	2%	2%	15%

Customer complaints increased in most regions over the past year

- The number of small customer complaints broadly increased compared with the same quarter last year but are lower than the previous quarter.
- Complaints have fallen since last quarter due to the seasonally higher number of billing complaints in the July to September quarter period.

Number of small customer complaints, by region



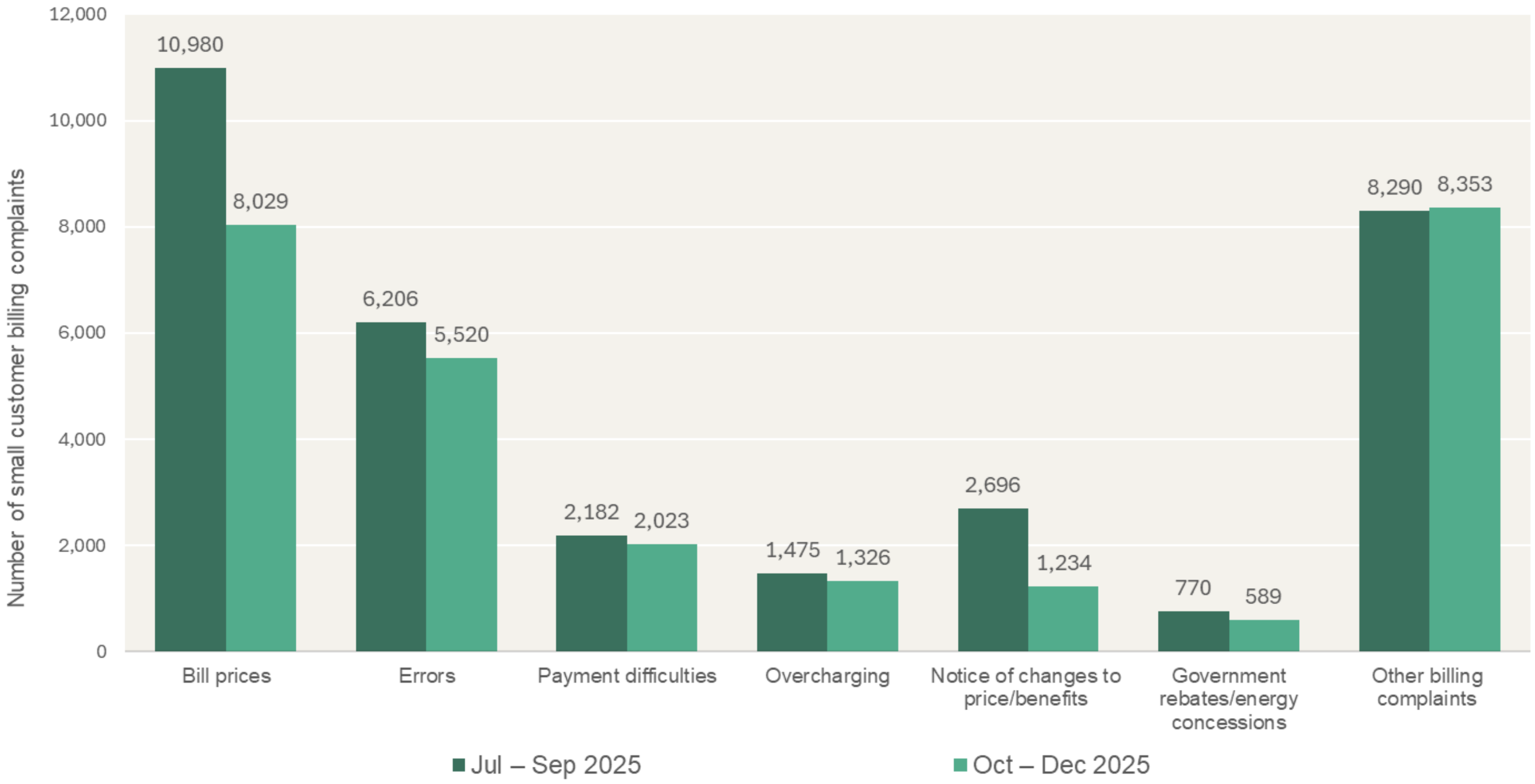
Note: Small customer complaints is the aggregate number of complaints from residential and small business customers across both electricity and gas. Customer contacts made online to a retailer are not included in this data.

Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26.

Bill prices were the most common billing-related complaint

- The majority (61.4%) of small customer complaints are about billing, of which around one-third relate to bill prices. This category was significantly higher in the July to September quarter, coinciding with price changes that come into effect from 1 July each year.
- Customers also raised other issues, such as errors and overcharging.

Number of small customer billing complaints, by type



Note: Customer complaints combine complaints from small customers across both electricity and gas.

Source: AER, Schedule 3 – Retail Performance Data Q2 2025–26.

Comprehensive retail performance data contained in the Schedules is available on our website: https://www.aer.gov.au/industry/retail/performance-reporting

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