



AER Retail Guidelines

Notice of draft instruments

July 2026

About COTA Australia

COTA Australia is the leading national peak body supporting and advocating for older Australians since 1958. COTA (Council on the Ageing) Australia promotes the rights, interests and good futures of older Australians over 50. Our broad agenda is focused on challenging ageism, respecting diversity, and empowering people to live their best life as we age.

COTA Australia Energy Advocates is a panel of consumers, consisting of representatives from each State and Territory jurisdiction in the National Energy Market and supported by COTA Australia.

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Overview

COTA Australia and the COTA Australia Energy Advocates welcome the Australian Energy Regulator's (AER) Draft Retail Guidelines Decision. The proposed principles-based direction, accompanied by a marked shift towards clear definitions and standardised terms, indicates an important milestone in progressing the objectives of the *Towards Energy Equity – A Strategy for an Inclusive Energy Market*.

We strongly support the AER's overarching commitments within the draft Retail Guidelines (Draft Guidelines) to:

- streamlining the unnecessarily complex consumer-facing regulatory environment for both consumers and retailers
- strengthening consumers' access to information so they better understand and exercise their rights, access available concessions and support and engage effectively with their energy retailer/s
- legislatively strengthening the energy market's focus on consumer protections, especially in relation to reducing the risk of disconnection for those experiencing payment difficulty, and improving consumer outcomes
- underpinning retailer accountability by the obligation to provide fair, reasonable and transparent assistance tailored to a consumer's individual circumstances and capacity to pay
- identifying where retailers not adhering to legislated requirements may face a civil penalty under the National Energy Retail Regulations.

While fully supporting the AER's commitment to clearer communications, greater transparency and the prevention of consumer misunderstanding, we believe this would be significantly strengthened by removing the distinction between ***plans and tariffs in consumer-facing communications***.

Retailers commonly distinguish between an energy consumer's *plan* and the *tariff* applied within that plan. What consumers are charged for electricity use is **determined by the tariff structure**. For example, flat rate, time-of-use, demand or controlled load tariffs. Retailers' use of the terms *plans* and *tariffs* creates the opportunity for billing statements which, although technically correct, can be misleading. As demonstrated by the ACCC's findings regarding [Origin Energy's Basic Plan](#) (July 2026), consumers may reasonably interpret a statement such as "you are on the best tariff for your plan" to mean they are on the best tariff offered by the retailer. However, lower-cost tariffs may be available under other plans.

We recommend that retailers use ***tariff*** as the primary term when **describing consumer electricity use charges**. Where retailers provide assurances about pricing, they should be required to state that consumers are ***on the best tariff we offer***, rather than, as they do currently, *you are on the best tariff for your plan*.

Detailed comments

We commend the AER for undertaking a comprehensive review of key consumer-facing regulatory instruments and for supporting **an open, collaborative approach** throughout the process. The continual engagement with consumers, energy retailers and other major industry stakeholders has helped ensure the proposed retail framework **is informed by the lived experience of consumers with the energy market, especially experience with retailers.**

At a time of rapid technological change, increasing market complexity and ongoing cost-of-living pressures, the proposed consolidation of the Retail Pricing Information Guidelines, Benefit Change Notice Guidelines, Better Bills Guideline and Customer Hardship Policy Guideline into a single Retail Guidelines framework is both timely and necessary.

The reform direction acknowledges and reinforces that achieving positive consumer outcomes requires more than compliance with prescriptive obligations; it requires retailers to place consumer needs, understanding and engagement at the centre of their practices reinforcing the AER's promise to consumers that they *are at the heart of the AER's work*.

The Draft Guidelines demonstrate a clear commitment to **prescribing and enforcing a more accessible, equitable, consumer-centred retail energy market**; one which is potentially more responsive to the needs of diverse consumer groups including older Australians.

The consolidated regulatory instrument presents the energy industry with a clearly articulated opportunity to enhance its interactions with consumers, particularly residential consumers. Replacing unnecessarily complex and lengthy documentation with clearer billing information, simpler pricing disclosures and more effective benefit change notices will assist consumers to better understand their energy plans and make informed decisions. This, coupled with improved retailer accountability, is likely to generate greater consistency across consumer engagements and expedite the **forging of a more transparent, accessible and principles-based energy retail environment.**

The proposed reforms are **especially beneficial for consumers experiencing additional life challenges**, whether temporary or ongoing. This includes consumers facing financial hardship, low energy literacy, low digital literacy, language barriers, disability, family violence, bereavement, mental ill-health, insecure housing, or other situations that can make engagement with the energy market more difficult. These consumers, many of whom are older people, are often required to navigate bills, notices, plan information and be aware of and seek assistance during periods of high stress and/or financial pressure.

A key strength of the consolidated guidelines is the strong emphasis placed on embedding **clear and consistent definitions and design principles** across four key consumer communications. This improved clarity and usability of information opens the potential for the development of a shared understanding of respective rights and responsibilities by consumers and retailers.

We are particularly supportive of the **proposed enhancements to** hardship protections, the deemed better offer reforms, improved accessibility requirements and strengthened obligations to assist consumers experiencing social disadvantage or financial hardship. If implemented consistently with the review's five objectives and supported by energy retailers' rigorous adherence to the proposed design principles, these reforms have the potential to ensure that consumers are genuinely better off *now and into the future* (AER).

The **strengthened hardship framework** is especially important for older consumers, many of whom live on fixed or limited incomes and are disproportionately affected by rising energy costs. Enhanced obligations on retailers to identify, support and engage consumers experiencing payment difficulties can contribute to improved affordability outcomes and help prevent the entrenchment of debt and energy disconnection. We support the Draft Guidelines' **emphasis on early intervention, proactive assistance and consumer-centred engagement** as critical elements of an effective hardship framework.

The **circumstances of older consumers** warrant particular attention in the implementation of the Guidelines. Many older people live on fixed or modest retirement incomes, spend more time at home and may have medical or disability-related energy needs that make reliable and affordable supply especially important. Bereavement, cognitive decline or the loss of a partner who previously managed household finances can also affect a person's ability to understand bills, compare offers or respond to retailer communications. These factors may be compounded by limited digital access or confidence, regional isolation, concern about scams, or reluctance to disclose financial difficulty and seek assistance.

We also welcome the focus on **improved accessibility and communication**. Clear, consistent and easy-to-understand information is essential for enabling informed consumer participation in the increasingly complex energy market. Older consumers, particularly those experiencing social, technological or financial disadvantage, are especially likely to benefit from reforms that place clarity, consistency and accessibility at the centre of consumer communications.

The Draft Guidelines also have the potential to **improve energy literacy** across the broader residential consumer market. By creating more consistent regulatory expectations and consumer information requirements, the reforms can facilitate consumers to better understand their energy plans, available assistance, and opportunities to achieve better value. Greater transparency and consistency will also assist retailers more informatively understanding and meeting their obligations. This should support more consistent implementation across the sector.

We applaud the Draft Guidelines' shift towards a **principles-based approach** that focuses on meaningful consumer outcomes rather than minimum compliance requirements. This approach encourages retailers to consider whether their communications, practices and support measures are meaningfully meeting consumer needs rather than simply satisfying regulatory obligations. A principles-based approach is more likely to **foster trust, strengthen**

consumer-retailer relationships and encourage constructive engagement between consumers and energy providers.

The proposed approach assists retailers to better understand and meet their obligations. It also helps ensure that their interactions with consumers are informed by the knowledge, capabilities and consumer-focused practices needed to support positive consumer outcomes. Together, these measures will promote earlier intervention and build more constructive consumer-retailer relationships.

The Draft Guidelines represent an important and positive reform that aligns with the AER's vision for a more inclusive, consumer-focused and equitable energy market.

Recommendations for strengthened consumer protections

The **Draft Guidelines represent a substantial improvement** on the existing arrangements and an important step towards a more consumer-centred regulatory framework. However, **while the direction of reform is strongly supported**, there remain areas where consumer protections could be further strengthened to ensure the Guidelines fully realise their intended outcomes.

Areas where opportunities to improve protections for consumers exist include the following:

- 1) **Remove the distinction between *plans* and *tariffs* in consumer-facing communications.** This would make energy pricing information more accessible, reduce consumer confusion and limit opportunities for retailers to use terminology that can obscure meaningful price comparisons.
- 2) While the proposal to require retailers to take a more proactive role in supporting consumers experiencing financial hardship is welcomed, the Guidelines should include **practical support for retailers** on:
 - a. where there are indicators that a consumer may be experiencing payment difficulty, how to design proactive contact so that it is readily distinguishable from marketing or scam communications. This is particularly important for older consumers who may be wary of scams or unsolicited communications.
 - b. responding to situations where a consumer's payment difficulties arise from limited financial capacity, such that compliance with a hardship arrangement may not be realistic or sustainable.
- 3) **Safeguarding non-digital engagement pathways** to ensure consumers who are digitally excluded or prefer traditional communication channels are supported as strongly as other residential consumers. The Guidelines need to ensure:
 - a. paper bills, postal correspondence and telephone assistance remain for consumers who are digitally excluded or prefer non-digital communication.

Consumers should not be charged more or otherwise disadvantaged because they cannot or do not wish to use an app, online portal or electronic billing.

- b. important notices, particularly those relating to hardship, benefit changes or possible disconnection, are not delivered solely through digital channels.
- c. retailers record and act on each consumer's preferred communication method
- d. retailers enable consumers to nominate a trusted contact or authorised representative where appropriate.

4) Directing greater retailer investment in translated and **culturally responsive** communications to improve accessibility, understanding and engagement among consumers who speak languages other than English and/or use communication modes other than the written word.

Retailers should be required to **test important communications** with diverse groups of consumers, including older people and people with disability, to ensure that they are genuinely understandable and usable.

5) A principles-based framework will require effective monitoring to ensure it produces meaningful outcomes rather than minimum procedural compliance. The AER should:

- a. monitor and publish retailer-level data on hardship participation, disconnections and reconnections, movement to better offers, concession and support uptake, accessibility complaints and outcomes for consumers using non-digital channels.
- b. formally review its Guidelines after an appropriate implementation period, with consumer organisations to assess whether the reforms have delivered measurable improvements for consumers, especially those experiencing vulnerability or disadvantage.

In addition:

- While beyond the scope of the Draft Guidelines, a significant information gap remains regarding the factors that drive energy prices and the respective responsibilities of retailers, networks, and regulators. Greater transparency is needed to assist energy consumers, especially residential consumers, to understand why prices continue to rise, how savings and cost increases are reflected in bills, and how they can effectively participate in and benefit from energy transition market initiatives.

Conclusion

As presented, the AER Retail Guidelines – Draft (June 2026) represents a positive and meaningful advancement in the retail energy regulatory framework. The consolidated instrument establishes a stronger foundation for delivering clearer information, improving customer experiences and supporting better consumer outcomes, while reducing unnecessary complexity for retailers and regulators alike. We appreciate the opportunity to contribute to this review and look forward to continuing to work with the AER to ensure the outcome from the review process delivers for all consumers an energy market that is fairer, more inclusive and easier to understand, navigate and purposefully engage with.