



Australian Council of Social Service

5 March 2019

Australian Energy Regulator

Via email: AERInquiry@aer.gov.au

Re: Draft AER Customer Hardship Policy Guideline: version 1

The [Australian Council of Social Service \(ACOSS\)](#) welcomes the opportunity to respond to the AERs Draft Customer Hardship Policy Guideline.

ACOSS is a national advocate for action to reduce poverty and inequality and the peak body for the community services sector in Australia. Our vision is for a fair, inclusive and sustainable Australia where all individuals and communities can participate in and benefit from social and economic life.

Our input into this submission is driven by the concerns raised by our members, many of whom represent thousands of individuals and families experiencing hardship, including energy hardship.

ACOSS supports the submissions made by the Public Interest Advocacy Centre (PIAC) and the Queensland Conservation Council (QCOSS).

We support the view of our members that the overall customer framework is not fit for purpose and remains in need of major overhaul, like the recent overhaul in Victoria's energy hardship framework. We do welcome the AERs recognition that the current arrangements for retail hardship assistance is not delivering acceptable outcomes for consumers experiencing payment difficulty.

However, we view these guidelines as a **temporary** fix to a system in urgent need of rethinking, and that this temporary fix itself needs further improvement. In particular ACOSS and others are concerned with the following aspects in the draft guidelines:

1. Unstated objective
2. Definitions
3. Identification of customers and information provided to customers
4. Retailer training requirements
5. Steps used to identify customers experiencing payment difficulty due to hardship
6. Consumer Rights
7. Wording of Statements
8. General Statement
9. Flexible Payment Options
10. Any other matters required by the rules

Both the QCOSS and PIAC submission provide further details on these concerns and, along with other members, have also provided valuable case studies demonstrating the poor outcomes for consumers experiencing payment difficulties, especially when energy retail staff are untrained.

On a final note, we understand that some retailers have pushed back against what we see as critical improvements to hardship guidelines. We note that the vast majority of retailers operating in the NEM are now subject to the Victorian payment difficulty framework, which requires retailers to identify potential payment difficulties early and demonstrate how they have considered and addressed individual

circumstances, providing better outcomes for consumers. We would have thought retailers would voluntarily apply the Victorian payment difficulty framework to other NEM jurisdictions to provide better outcomes for **all** their customers and to make it easier for their customer service staff dealing with multiple jurisdictions.

We look forward to considering the next version of the customer hardship policy guidelines.

For further information, please contact ACOSS Senior Adviser, Climate and Energy at kellie@acoss.org.au or on 0406383277.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C Goldie', written in a cursive style.

Dr Cassandra Goldie

Chief Executive Officer, ACOSS