Hall & Partners

Australian Energy Regulator Better Bills Guidelines Research Final Report

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- 2. Summary
- 3. Current usage and bills
- 4. Evaluation of new bill formats
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Research Objectives

The overarching research objectives for this project were:

- Understanding the overall requirements of those aged 65+ years for clear comprehension and clarity of their hardcopy bills; and
- To determine audience preference of the more comprehensive or simpler bill.

More specifically to evaluate:

- **Content** is relevant information included?
- Format how well does the layout of the bill suit needs?
- Comprehension does the visual representation make the information easy to understand? Which elements are easy or difficult to understand?
- Seeking assistance how easy is the contact number and accessibility information to find?
- **Optimisation** what can be changed to make the bill easier to read, use, understand? What, if anything, is missing that could be added?

Methodology

Fieldwork included three focus groups conducted between 30th June and 8th July 2021 with a total of 18 participants. Two groups did not go ahead due to lockdowns resulting from COVID-19.

All focus groups were conducted face to face. Each focus group was up to 90 minutes duration with free-flowing conversation.

All participants were free-found using recruitment partners.

All participants were screened by professional market research recruiters to fit the determined criteria.

All participants received a \$100 incentive for taking part.

Focus groups were split according to locations.

- 1 focus group Canberra (30th June)
- 1 focus group Hobart (30th June)
- 1 focus group Adelaide (8th July)
- 1 focus group Brisbane (cancelled due to COVID restrictions)
- 1 focus group Sydney (cancelled due to COVID restrictions)

All participants fit the following screening criteria:

- All participants were aged 65+ years
- Opted to receive a hardcopy of their bill via postal mail
- Preferred to resolve any issues with their bill via phone call with their provider
- Had not downloaded an app from their electricity provider
- Read and signed a Participant information sheet prior to taking part in the focus group.



Current usage and bills

STEPTO

Receiving bills can trigger anxiety and payment methods are habitual

"I usually get it out of the letterbox and don't open it right away, I just don't want to know!"

"I pay it the day before it is due – why should they have my money for any longer than they need to? I just need to make sure I don't forget to pay it!"

Receiving the bill

Receiving an energy bill in the mail is not perceived as a pleasant experience. For some it can trigger anxiety, for most there is an element of curiosity to see if their projections about their usage have been accurate.

Once the bill arrives there are different routines and habits that are at play. Some schedule the bill to be paid on time via online banking, some diarise the due date and others wait for their direct debit to pay the bill for them.

Regardless of payment method, there is a desire to 'set and forget' payment or diarising the payment so they can move on.

Paying the bill

This audience pay their bills in a range of ways, but importantly, the same way each time. In order of most to least common methods:

- 1. Via phone banking
- 2. Direct debit
- 3. Via their online banking portal using BPay
- 4. In person at the post office

Regardless of payment method, the common thread is that the bill is paid on, or just before, the due date. There is a resentment about energy providers being paid early. Those who seek to capitalise on the early payment discount will pay right on the date allocated.

There are key elements being sought from energy bills

"I always have an idea of what each bill will be, I've lived here long enough to know and I've been with the same energy company for years. So I anticipate it and then the bill is basically just a check in to see"

"I need to know quickly and easily from the total that the early pay discount and any other discounts too, like solar, have already been applied – if its clear I can just pay it and move on"

When the bill is first opened, there are certain elements that customers feel are vital.

- Amount due: this audience will generally have a sense of how much they expect their bills to be each quarter. There is an understanding of the rise and fall of energy bills with the seasons and they budget appropriately. So the first step is to sense checking the amount on the current bill to see if it matches expectations.
- **Due date**: Managing money later in life, including budgeting for bills, can often be stressful so this audience are quick to seek out the due date for payment. Many allocate monthly funds to bills to smooth out financial bumps, so the due date can be vital for these calculations.
- **Discounts being applied:** early payment discounts are of high interest to this audience and the aim can be to capitalise on this offering. Additionally, the age of this audience means there are often concession discounts to be applied. Solar customers can also have credits applied and there is a desire for clarity around the total amount that is listed on the bill, which incorporates all discounts. Making sure it is clear that all potential discounts have been included is very important to minimise confusion and potential to need to interrogate their bill further.
- Historical data: if a bill is greater than expected, referring to personalised comparative data is important. Being able to quickly and easily check what the bill was for the same time last year is a simple way for these customers to check back.
- **Payment options**: while bills are often paid in the same way each time, highlighting payment options clearly and easily is important.

A higher-thanexpected bill and payment **modifications are** the main drivers for seeking assistance

"You need to have all the right information on each bill so when you call you have it all there to talk through with them"

"When you call you need to be able to talk to someone who can solve the problem on the spot. Emailing never works, no one answers and it just gets lost in the web!"

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Seeking more detailed information or clarification: with clear expectations of the price range that their energy bill should be within, if the bill feels too high, they will immediately seek more information or clarification from their provider. Experiences point to a phone call as being the

best way to resolve this as emails are felt to get lost in the system and are easily ignored.



Immediate resolution needed: with the effort of making a phone call, being on hold and explaining their query, fast and simple resolution is required.

There is an expectation that the customer service officer will have the relevant authority to resolve their query and one phone call should be sufficient.



Payment options or deferral of payment: for individual queries or modification to payments (deferral, staggered payments or financial assistance) phone calls are vital.

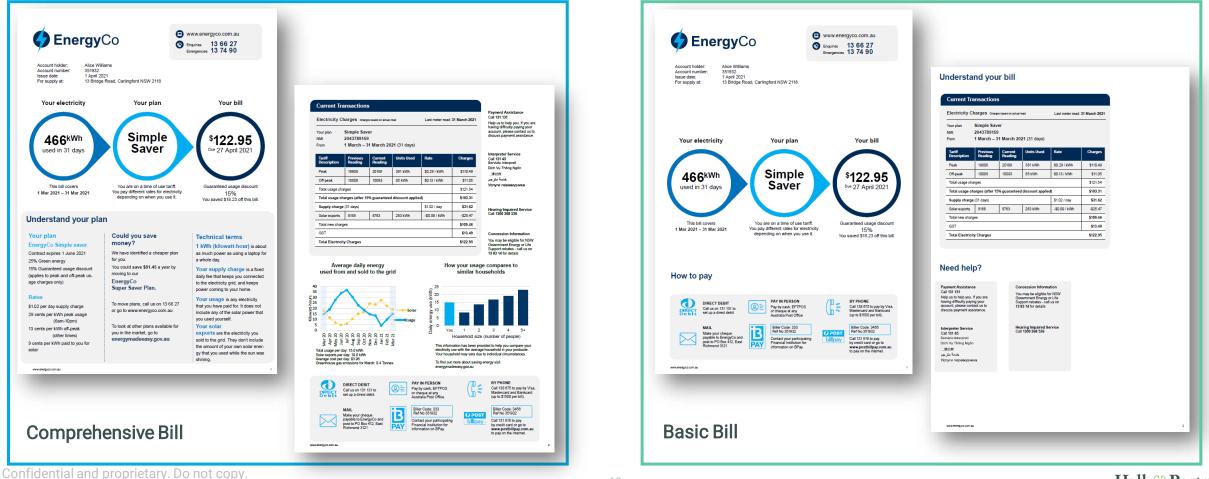
This can be a sensitive issue for this audience and they require a customer service officer who can be empathic and flexible in offering solutions.

This audience require personalisation of a phone call for their queries. There is underlying mistrust of using online contact methods to resolve queries and the stress that a lack of resolution can cause is notable.

Evaluation of new bill formats

Sample Bills

All focus group participants reviewed the comprehensive bill, followed by the basic bill. These bill prototypes are based on designs developed by the Behavioural Economics Team of the Australian Government (BETA) for use in AER-commissioned consumer research and testing. The comprehensive bill was designed to be similar to many existing bills over two, densely packed pages, while the basic bill contains information necessary to enable payment, a table showing how the bill was calculated and key contact details (i.e. it omits the plan summary, definitions, best offer and historical usage and benchmarking information).



Comprehensive bill offers clarity on vital information, with extra information available if needed

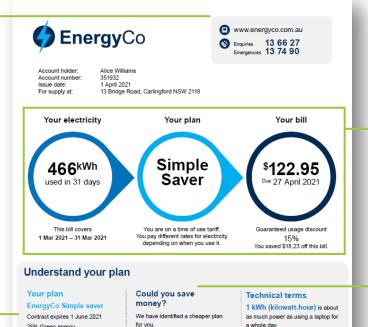
Clear and easy to find contact details for queries. This audience prefer phone contact for guick, easy and complete solutions to queries. The amount of white space allows for easy comprehension and digestion of information. whilst also providing a place

to make notes (e.g. payment

Plan information is appreciated as it offers information to opt into if needed

confirmation number)

Rate information allows clarity in any selfcalculations of energy usage and allows easy comparisons of plans across providers if required.



for you. 25% Green energy You could save \$81.45 a year by 15% Guaranteed usage discount moving to our (applies to peak and off-peak us-EnergyCo age charges only) Super Saver Plan

Rates

sola

www.energyco.com.au

(6am-10pm)

(other times)

9 cents per kWh paid to you for

To move plans, call us on 13 66 27 \$1.02 per day supply charge or go to www.energyco.com.au 29 cents per kWh peak usage To look at other plans available for 13 cents per kWh off-peak

you in the market go to energymadeeasy.gov.au Your supply charge is a fixed

daily fee that keeps you connected

to the electricity grid, and keeps

Your usage is any electricity

that you have paid for. It does not

include any of the solar power that

exports are the electricity you

sold to the arid. They don't include

the amount of your own solar ener-

gy that you used while the sun was

power coming to your home.

you used yourself

Your sola

There is consistent feedback about pertinent information customers seek first on an energy bill. The comprehensive bill offers this information in a clear and succinct way. Bill total and due date, usage and usage period and plan information. The clear snapshot of clearly highlighted information is welcomed and is seen as a way to quickly and easily understand an energy bill. If the amount is within an anticipated range, customers feel no need to seek further information on their bill.

A focus on assisting customers to save money implies transparency and customer care from providers. There is also a desire to see energy saving tips from those wanting to reduce their energy bills.

Technical terms generate interest and are seen as being linked to energy saving, transparency and understanding how energy usage is calculated. There are suggestions for more relevant examples (leaving a light one, using heating or cooling or leaving the TV on) to solidify understanding.

"You can look at this and easily see all the important information you need straight away, how much, when its due how much you used"

"It feels like they actually want to help you by showing you how you could save money with a different plan or even reducing your energy usage. My current company doesn't do that"

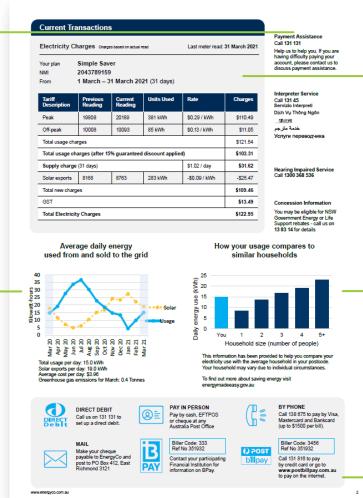
"I like the amount of white space available on the page, its not wasteful, but also gives me somewhere to write down things like my payment reference number"

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Detailed information is readily available if needed, but doesn't overwhelm

The inclusion of contact options for different accessibility needs is seen as important to allow access to all customers and is difficult to find in the location on the basic bill.

For those with solar panels, this data is helpful but also intuitive. Solar customers express interest in the ability to track the dollar amount per month that their solar panels are producing. Additionally, information about greenhouse emissions being offset and specific solar rates and tariffs is appreciated.



The data table is a vital element for those who are seeking more information when the cost of their bill doesn't match expectations.

The information contained within this table is comprehensive, clear and a good reference point for querying charges or usage. Solar customers particularly appreciated the inclusion of all solar charges in the same place.

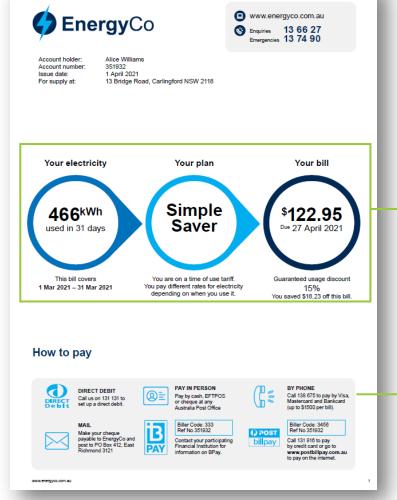
While the information in the bar chart is appreciated, it is not deemed to be as useful as tracked personal data. Comparison to other households can either cause guilt (using more than comparable households) or be disregarded (every house is different). Being able to **compare current usage** with the **historical personal usage** is felt to be a vital element of the energy bill to understand seasonal highs and lows.

Payment options are felt to be comprehensive and cover all required options. *"What I really want to see on the back here is how much my bill was at the same time last year. That gives me a good idea of how I am tracking at the moment and if I need to change anything "*

"There is everything you would need to know about your usage here, it is really helpful if you want to look in more detail – and its clear and easy to read"

"I don't find it helpful to know what a household of two people uses. Each house is different and uses different energy. It just makes me feel bad about my usage"

Basic bill offers a quick oversight of key information on the front...



Visually, the basic bill is clear and easy to read. The difficulties with the basic bill arise when there is an anticipated need for more information or detail and it is not available. While the main components of how to take care of an energy bill are evident on the front page, many customers are seeking the reassurance of additional information being there 'if they need it'.

Similarly to the comprehensive bill, easily highlighting **bill total** and **due date**, **usage** and **usage period** and **plan information** is vital and important for customers. The large text and colour is also found to be easy to read and this basic bill is felt to offer a quick snapshot of energy usage that is quick and easy to engage with. *"All the information is here on the front page that you'd need to just get your bill and pay it. Makes it seem very easy."*

"I can see this being great for someone like my mum. She is in her 90s and just wants to pay her bills easily, this would be fine for her"

Highlighting the payment options on the front of the bill is seen as positive for those who prefer to pay their bill and move on quickly! Easy to find payment options are also highlighted as being visually available for older customers who may have difficulty navigating their bills. While the amount of 'white space' allocated to the front of the bill is provides an opportunity to write notes or receipt numbers, it is can be viewed as wasteful and an inefficient use of space.

"There is a lot of white space that seems wasted here – I could write my notes and receipt number here easily but in this day when we're trying to be more environmentally conscious it feels a bit wasteful"

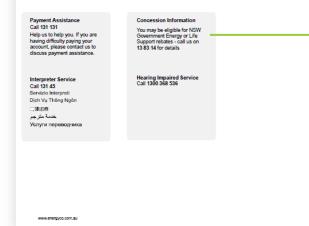
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...but the back page does not provide enough detail

Understand your bill

Electricity C	harges charge	Last meter read: 31 March 2021			
∕our plan NMI From	Simple Sav 2043789159 1 March – 3)	21 (31 days)		
Tariff Description	Previous Reading	Current Reading	Units Used	Rate	Charges
Peak	19808	20189	381 kWh	\$0.29 / kWh	\$110.49
Off-peak	10008	10093	85 kWh	\$0.13 / kWh	\$11.05
Total usage charges					
Total usage charges (after 15% guaranteed discount applied)					
Supply charge (31 days) \$1.02 / day					
Solar exports	8168	8763	283 kWh	-\$0.09 / kWh	-\$25.47
Total new charges					\$109.46
GST					\$13.49
Total Electricity Charges					\$122.95

Need help?



There is continued appreciation for the inclusion of the data contained within the table, however the lack of additional information on the back of the bill is noticed immediately.

This blank space highlighted the "missing" accessibility options for those who may need them and the lack comparative or historical data that is seen as being useful and important.

Some feel visually the blank space is unappealing; however, there is acknowledgement that there is plenty of space to write notes about contact calls or receipt numbers, which were considered a more likely outcome of receiving this bill as detailed information and an explanation of how to interpret the bill is lacking.

The accessibility options go unnoticed in this position and potentially, being as small as they are. Their position next to the data table on the comprehensive bill easily draws the eye across and they are noticed. "There is just not enough on here. It gives me a basic overview but compared to the other one it seems to be missing so much"

"I cant see where the accessibility access options are. I don't need them, but lots of people would"

"It seems a waste to have all this space and nothing there. If people want more information they can have it, you don't always have to turn the bill over, but it is nice to have it there if you want it"

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Comparison highlights strengths of comprehensive bill to cover all needs

Comprehensive Bill



cents per kWh peak usa (6am-10pm) ints per kWh off-peat (other times)

Pros

- Clear and succinct visual information
- Important information easily accessible .
- The ability to access more detailed information . if required.
- Educative information about energy and money saving is appreciated and viewed positively.

Pros

Easy for those who want simple information and to quickly and easily pay a bill.

Easy to read without glasses and visu • appealing.

visuall	у		hason date For supply at	1 April 2021 13 Bridge Ri	ved, Carlingford NSW 2118		
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four plan Simple Saver At 2043789159							
	arch 2021 (31 days)			DIRECT DEBIT Call us on 131 131 to set up a direct debit	Pay by cash. SFTPO or deque it any Australia Post Office	• (C =	BY PHONE Call 138 615 to pay by Visa, Masteriard and Earlined Set to \$1500 per bill.
	ading Units Used	Rate	Beelt	set up a direct debit.	Australia Post Office	- W	
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Total usage charges (after 13% gu	aranteed discount apple			NOTION DIA I	information on BPay		to pay on the internet.
Supply charge (31 days)		\$1.02/day	WATER OF A				
Solar exports 8168 87 Total new charges	53 283 W/h	-\$0.09 / k/lth	\$109.44				
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Basic Bill

EnergyCo

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The similarities of both bills are appreciated, however the underlying sense is that the comprehensive bill allows the ease of finding relevant and required information and the option to engage with more information if needed.

The main hesitation towards the basic bill stems from a lack of availability of more detailed information if it should be required.

Insumary

In summary, the comprehensive bill performed better – with some optimisations suggested

In its current form, the comprehensive bill fulfils the important criteria and informational needs of these customers. With some optimisation, there would be the potential to create greater certainty in understanding energy bills as well as the potential to reduce needs to contact energy providers for information.

Suggested optimisations

- Personalised historical data to allow comparison with previous bills across seasons.
- Retain some white or dedicated space for notes and receipt numbers.
- Offering video calls call for bill queries screening sharing to ensure that any queries or explanations are clear.
- More relevant examples of how one kilowatt hour may be calculated (TV being left on or heating/cooling examples).
- In addition to offering better plans or ways to save through plan choice, offer energy saving tips – this was seen as a relevant place to begin to educate those who are interested in saving energy.

Appendix: Bill designs

Comprehensive Bill

All focus group participants reviewed the comprehensive bill, followed by the basic bill. These bill proto-types are based on designs developed by the Behavioural Economics Team of the Australian Government (BETA) for use in AER-commissioned consumer research and testing. The comprehensive bill was designed to be similar to many existing bills over two, densely packed pages, while the basic bill contains information necessary to enable payment, a table showing how the bill was calculated and key contact details (i.e. it omits the plan summary, definitions, best offer and historical usage and benchmarking information).



money?

moving to our

EnergyCo

you in the market, go to

energymadeeasy.gov.au

for you

Your plan
EnergyCo Simple saver
Contract expires 1 June 2021
25% Green energy
15% Guaranteed usage discour
(applies to peak and off-peak us

age charges only

Rates

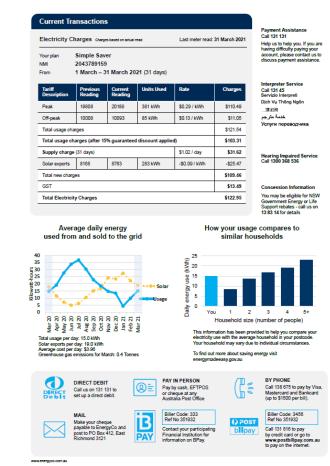
\$1.02 per day supply charge 29 cents per kWh peak usage (6am-10pm) 13 cents per kWh off-peak (other times) 9 cents per kWh paid to you for solar

www.energyco.com.a

Technical terms 1 kWh (kilowatt-hour) is about We have identified a cheaper plan as much power as using a laptop for a whole day You could save \$81.45 a year by Your supply charge is a fixed daily fee that keeps you connected to the electricity grid, and keeps Super Saver Plan. power coming to your home

Your usage is any electricity To move plans, call us on 13 66 27 that you have paid for. It does not or go to www.energyco.com.au include any of the solar power that you used yourself. To look at other plans available for Your solar

exports are the electricity you sold to the grid. They don't include the amount of your own solar eneray that you used while the sun was shining



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Basic Bill

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Need help?

Payment Assistance Call 131 131 Help us to help you. If you are having difficulty paying your account, please contact us to discuss payment assistance

13 83 14 for details

Hearing Impaired Service Call 1300 368 536

Concession Information

You may be eligible for NSW Government Energy or Life Support rebates - call us on

Call 131 45 Servizio Interpre Dịch Vụ Thông Ngôn 「適応務」 خدمة مترجم Услуги переводчика

Interpreter Service

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