

# Minutes



## Better Bills Guideline Working Group

Wednesday 1 December 2021

3:00–4:00pm (AEST) | 3.30–4.30pm (ACDT) | 4.00–5.00pm (AEDT)

Location: Microsoft Teams

### Attendees

Organisation	Representative(s)	Role
Australian Energy Regulator	Kathie Standen	Chair
Australian Energy Regulator	Simone Tyson	Discussant
Australian Energy Regulator	Bronwen Jennings	Discussant
Australian Energy Regulator	Mark Feather	Discussant
ActewAGL	Dylan Walsh	Member
Alinta Energy	David Calder	Member
Aurora Energy	Giles Whitehouse	Member
Australian Energy Council	Ben Barnes	Member
Council of Small Business Organisations Australia (COSBOA)	Elle Marengo	Member
Energy & Water Ombudsman NSW	Rory Campbell	Member
Council on the Ageing	Robyn Robinson	Member
Ethnic Communities Council of NSW	Iain Maitland	Member
Meridian Energy / Powershop	Lauren Kane	Member
Financial Counselling Australia	Lynda Edwards	Member
Origin Energy	Alla Krapivsky	Member
Queensland Council of Social Service	Wendy Miller	Member
Uniting Communities	Mark Henley	Member
Tasmanian Council of Social Service	Stephen Durney	Member
Australian Energy Regulator	Louise McCue	Observer

Australian Energy Regulator	Elizabeth Tuckett	Observer
Australian Energy Regulator	Keira Germech	Observer

## Apologies

Aurora Energy	Giles Whitehouse	Member
Council on the Ageing	Robyn Robinson	Member
Ethnic Communities Council of NSW	Iain Maitland	Member
Queensland Council of Social Service	Wendy Miller	Member
Uniting Communities	Mark Henley	Member

## Agenda items

### 1 Welcome

- Kathie Standen welcomed members and introduced Alla Krapivsky as the representative for Origin, replacing Daisy Scarborough.
- Kathie outlined the purpose of the meeting was to provide an update on the proposed Better Bills Guideline, and take questions, comments and feedback from the members.

### 2 Update on proposed Better Bills Guideline

#### Presentation by Kathie Standen

- Kathie set out staff views (not AER policy positions) regarding the proposed Guideline.
- Billing information is proposed to be categorised into two tiers in the draft Guideline.
  - Tier 1 would be an exhaustive list of essential information to be presented on the first page (or electronic equivalent of the first page) of a bill;
  - Tier 2 would be additional information that must be on a bill but must not be on the first page (or electronic equivalent of the first page); and
  - Information not specified within the tiers may be put on a bill but must not be put on the first page or before Tier 1 or 2 information (or electronic equivalent), and the design principles apply.
- Tier 1 inclusions:
  - Customer name and account number;
  - Address of customer's premise for service & mailing;
  - National Metering Identifier (NMI);
  - Payment amounts (amount due);
  - Payment dates (due date);
  - Payment methods (how to pay);
  - Retailer identification (name, logo);
  - How to report a fault or emergency;
  - How to dispute or raise a query;

- Link to Energy Made Easy (with Better Offer).
- Tier 2 inclusions:
  - How to access interpreter services and seek financial assistance. Ombudsman contact details;
  - A standardised Plan Summary;
  - Billing period (date-to-date);
  - Plan name;
  - Benefit expiry date;
  - How bill was calculated (tariffs, charges, peak/off peak times/rates, discounts, concessions, conformity to retail contract);
  - Meter reading or estimation;
  - Percentage of power generated by renewable energy; and
  - Customer’s energy consumption (and comparison to own household’s previous usage) and production, and related costs and revenue.
- Design principles (also tested by BETA) to apply to all information on the bill.

## Questions, comments and feedback

- There was general support for the tiered approach.
- There were a number of comments and areas of discussion about the placement and prioritisation of each of the potential tiers. Specifically, a better offer message, benefit expiry, faults and emergencies, and assistance numbers (including Ombudsman contact details).

### Members questions in relation to tiered approach

**Q: Where a full bill is accessible via a link in an email, only 20% of consumers click on that link. Is there a suggestion that the covering email becomes Tier 1?**

- The current view is the bill is intended to be what is revealed after clicking the link or an attachment – not the covering email.

**Q: Not sure the NMI needs to be in Tier 1. Does it make more sense to put it next to the estimation?**

- The NMI is proposed to be included as Tier 1 information as it makes the Energy Made Easy experience smoother for customers.
- The NMI is relevant to estimations and therefore could be included in the Plan Summary and is likely to be relevant to both Tier 1 and the Tier 2 Plan Summary.

**Q: Can you tell from the information within the tiers whether the customer has a smart meter?**

- Noted that AER staff consider the NMI to be more important.

**Q: There is a level of billing system change for retailers needed in order to include the notice of change in benefits. There will be costs associated with adding this information and customers already receive this information in other forms. What is the benefit of adding this?**

- Noted that consumers already received this information (regulatory requirement).
- Noted that there are consumer and market benefits as this enables customers to know the value of their plan, and to compare plans.
- The AER is seeking information from retailers about quantified costs of potential changes.

**Q: Did the AER/BETA research ask consumers about the potential benefit of including the benefit change on the bill?**

- No, however AER staff have also referred to other sources of insight to inform the proposed tiered information including qualitative research, research provided by retailers etc.

### **Q: What does ‘conformity to retail contract’ mean?**

- Ensuring customers can easily and readily check their bill is for the plan they signed up for with their retailer (consistent with their retail contract).

### **Working Group feedback in relation to proposed ‘better offer’ information requirement**

- Members expressed some support for a better offer requirement, preferably based on the existing Victorian or ACT’s requirements, rather than another option.
- Members’ discussion included noting that:
  - a numeric value saving is valid at a point in time, so keeping this accurate, current and aligned with consumer expectations can be a challenge;
  - the Victorian ‘best offer’ model does not account for non-financial benefits, so may not provide a full picture of all elements of potentially better offers; and
  - there would be costs associated with implementing a better offer and these may be passed on to consumers, however there are also likely to be savings for consumers being alerted to a better offer. The type of messaging used on bills is important.

### **Summary of Working Group Comments in relation to Design Principles**

- The option for consideration is that a short set of consumer-tested design principles would apply to all information on a bill, including Tier 1 and Tier 2 information, with the aim to make it easier for consumers to understand and reducing information-overload.
- There was general support for the design principles, noting a range of benefits.
- Members discussed and noted views, including:
  - a principles-based (rather than prescriptive approach) to the design principles has a range of benefits, although this needs to be balanced with making the principles easy to apply;
  - retailers will be making significant changes to their billing and design systems to conform with the proposed design principles;
  - jargon in bills is confusing and simultaneously adding more information to bills causes confusion (e.g. use of ‘CR’ and ‘DR’ to denote credit and debit respectively, which can cause consumer confusion).

### **Questions in relation to Design Principles**

#### **Q: How prescriptive will the design principles be?**

- Noted the aim is to have short and clear principles, and some explanatory information provided in the Notice of Draft Instrument.

### **Questions in relation to implementation**

#### **Q: Will there be a transitional arrangement for implementing the guideline? e.g. a staggered or extended commencement timetable.**

- Noted there will be consultation and feedback sought on the approach to implementation. AER staff welcome information from retailers in relation to cost to serve and costs to implement.

## **3 Concluding remarks**

- Kathie thanked members for their time and input, noting this is very important to the development of the Draft Guideline, and that we are aiming to publish the draft guideline before the end of the year.

## Action items

Agenda Item	Action	Owner
Nil		