

21 May 2018

Ms Sarah Proudfoot
General Manager – Retail Markets
Australian Energy Regulator

AERInquiry@aer.gov.au

Dear Ms Proudfoot,

COTA welcomes the opportunity to provide a brief comment to the Australia Energy Regulator (AER) *Draft Benefit Change Notice Guidelines*, dated February 2018.

COTA Australia is the national consumer peak body for older Australians. Its members are the eight State and Territory COTAs (Councils on the Ageing), which have around 30,000 individual members and more than 1,000 seniors' organisation members, jointly representing over 500,000 older Australians. COTA Australia is represented by Robyn Robinson on the AER Consumer Consultative Group and the Energy Information Presentation and Customer Engagement Reference Group, as well as the National Energy Consumer Roundtable.

In general, COTA Australia supports the draft Guidelines, particularly the support and guidance it aims to provide to consumers, to search out alternative offers from energy providers. In our October 2017 response to the AEMC consultation paper regarding notification of the end of a fixed benefit period, we did not support the proposed exemption for non-financial benefits. We are pleased to see that the proposed Guidelines include both financial and non-financial benefits as 'defined benefits'.

Our brief feedback on the draft Guidelines is as follows:

1. Include the Energy Made Easy telephone number on all relevant customer documentation.

We support the inclusion of the Energy Made Easy (EME) website on all consumer materials and correspondence, to assist consumers to easily access information about where they can obtain the most suitable energy contracts.

Where the EME website is listed on any customer document, it is critical that the phone number is also provided. Data from a 2016-17 survey indicated that people over the age of 65 are the lowest proportion of internet users, with only 55% having used the Internet in the three months prior to the survey.¹ Providing the EME phone number in addition to the website will assist those customers who do not use Internet services, to access information

¹ Australian Bureau of Statistics. (2018). *8146.0 – Household Use of Information Technology, Australia 2016-17*. Canberra: ABS.

and support about energy options. This is relevant to items 44, 49(d), 73, 81(a) of the draft Guidelines, as well as Appendices A, B and C.

2. Ensure that the default method of communication with customers is by hard-copy correspondence.

COTA Australia supports item 37 in section 3.2 'Communication preferences', which specifies that the benefit change notice must be sent to the customer in accordance with the customer's preferred method of receiving written communication from the retailer.

However, in relation to item 38, which specifies that the retailer may decide the method by which they send the benefit change notice if a preference has not been identified by the customer; we note that this should default to hard-copy correspondence. This will ensure that older Australians who may not use the Internet regularly, are not excluded from, or miss receiving, notifications.

3. Ensure that customers are notified of costs associated with data requests.

We ask that item 49(e) in section 4.1 specifies that any costs will be made clear to customers who request historical billing data or energy consumption data, prior to them proceeding with their request.

4. Clarity for customers with more than one controlled load tariff.

In relation to Table 1 and Appendix C, it is unclear how these processes would apply for customers with more than one controlled load tariff.

5. Identifying GST in amounts payable.

In relation to Section 4.3, item 65, which states that the 'do nothing' amount must be expressed as an annual dollar figure in the benefit change notice, this should also specify whether or not the amount includes GST.

Thank-you for the opportunity to provide feedback on the draft Benefit Guidelines. We would be happy to meet with the AER to expand further on our comments, if required.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ian Yates', written over a large, light-colored scribble or background mark.

Ian Yates AM
Chief Executive