



**EnergyAustralia**

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Simon Kidd  
Assistant Director, Retail Markets  
Australian Energy Regulator  
GPO Box 520  
Melbourne Vic 3001

Submitted Electronically to [AERInquiry@aer.gov.au](mailto:AERInquiry@aer.gov.au)

Dear Mr Kidd

### **Draft Sustainable Payment Plans Framework Consultation Document.**

EnergyAustralia welcomes the opportunity to comment on the AER's Draft Sustainable Payment Plans Framework Consultation Document (the Framework). We are one of Australia's largest energy companies, with over 2.5 million household and business customer accounts in NSW, Victoria, Queensland, South Australia and the Australian Capital Territory. We also own and operate a multi-billion dollar portfolio of energy generation facilities across Australia, including coal, gas and wind assets with control of over 4,500MW of generation in the National Electricity Market.

EnergyAustralia agrees with the AER's view that consumer outcomes can be improved through a consistent, principles-based approach to capacity to pay conversations between retailers and customers. A lack of regulatory guidance on this issue has been cited<sup>1</sup> as a failing of the Victorian customer hardship framework and we commend the AER on their collaborative approach to addressing this issue.

Participants in the retail energy industry are acutely aware of a level of mistrust of the energy industry<sup>2</sup> and that many consumers avoid engaging with their retailers when they are experiencing payment difficulties, sometimes to their own detriment. In light of this, EnergyAustralia believes that the principles which form the basis of the framework, namely empathy and respect, flexibility and consistency are appropriate. This approach should assist in providing consumers with confidence that they will be treated fairly by their retailer.

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<sup>1</sup> Essential Services Commission 2016, Supporting Customers, Avoiding Labels. Energy Hardship Inquiry, Final Report, February 2016 P18

<sup>2</sup> Australian Energy Market Commission (2014) *Retail Competition Review: Final Report*, Sydney, August, p. 26.

While we support the principles which underpin the framework and the guidance within it, EnergyAustralia has a few suggestions with regard to the implementation.

We question the need to have a public list of retailers who adopt the framework. While we acknowledge that this may promote comparative competition among retailers, we consider it more appropriate for the AER to maintain an internal list of retailers and allow participating retailers to promote themselves as such if they so choose.

If the list of retailers who implement the guideline is made public, then EnergyAustralia considers that a delay between the release of the final framework and its commencement is appropriate. This would allow retailers who intend to adopt the framework the time to conduct consultant training or make any process changes required to be fully compliant with the framework. Although the consultation process has revealed that many of the retailers who appear likely to adopt the framework are currently operating in general alignment with its provisions, some changes may be required to ensure full compliance.

We believe that the framework is a laudable initiative and congratulate the AER on its approach to consultation on this issue. We look forward to the release of the final framework and the improved customer outcomes it will deliver.

If you require any further information with regard to this submission, please contact me on (03) 86281731 or via email at [joe.kremzer@energyaustralia.com.au](mailto:joe.kremzer@energyaustralia.com.au)

Yours sincerely,

**Joe Kremzer**  
Industry Regulation Lead