

Our Ref: EWOQ/18/00115
Your Ref: 63582

5 December 2018

Attention: Ms Sarah Proudfoot
General Manager, Consumers and Markets
Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

AERConsumerandPolicy@aer.gov.au

Dear Ms Proudfoot

Re: Issues Paper – Standardised statements for use in customer hardship policies

Thank you for the opportunity to make a submission on the Australian Energy Regulator's (AER) Issues Paper on Standardised Statements for use in customer hardship policies.

Background to EWOQ

The Energy and Water Ombudsman Queensland (EWOQ) provides a free, fair and independent dispute resolution service for small electricity and gas customers across Queensland and water customers in south east Queensland who are unable to resolve a dispute with their supplier. Our submission is based on our experience as an external dispute resolution scheme dealing with residential and small business energy customer complaints in Queensland.

Feedback on the Issues Paper

EWOQ supports the intention of the draft standardised statements and welcomes their inclusion in retailer hardship policies. We agree that standardised statements will improve the clarity and consistency of retailer hardship policies and provide improved access to information and assistance for customers facing hardship.

In response to the issues for comment, we advise the following:

<p>Question 1 Do the draft standardised statements provide a clear description of the minimum requirements set out in section 44 of the Retail law? If not, why not?</p>
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We endorse the contents of the draft standardised statements and agree they adequately describe the minimum requirements set out in section 44 of the National Energy Retail Law.

Question 2

Do the draft standardised statements contain user-friendly language that would be easily understood by a range of customers? If not, please specify.

The draft standardised statements are expressed in clear, simple and easy to understand language which, in our view, would be understood by a wide cross section of consumers. It includes transparent, action-based statements which will provide customers with a clear understanding of their entitlements and obligations under a retailer's hardship policy, as well as information on the assistance a retailer is required to provide.

To improve the usage of the policy and statements within the diverse community they should be available for use as:

- documentation in other languages,
- video/webinar with subtitles and sign language
- documents in braille
- easy to use online forms

This will assist in delivering the information to the community, particularly those who are vulnerable and need assistance, to ensure that this essential service remains available to them.

Question 3

Do the draft standardised statements sufficiently address access gaps by vulnerable customers by clarifying hardship rights and entitlements? If so, how?

Our experience as an industry Ombudsman scheme indicates that retailers have a tendency to require customers to proactively identify as being in hardship. This has often meant many customers have 'fallen through the cracks' and not accessed hardship programs, either because they are unaware of their existence or they do not prompt the appropriate self-identification triggers for retailers to initiate a referral to their hardship program.

In our view, the draft standardised statements will address many of the concerns identified by the AER's recent review of retailers' hardship policies, including access gaps. We are particularly supportive of the guidelines which encourage retailers to take a more proactive approach around hardship with a focus on early intervention.

This is a welcomed change which will significantly improve the accessibility of hardship programs to all customers facing financial difficulties. It is further envisaged the requirements for retailers to focus on early intervention and proactive identification will present an opportunity to manage customer debt in a collaborative way and provide for better outcomes for customers, including minimising the possibility of adverse actions such as disconnections and debt collection. This is beneficial to all parties involved.

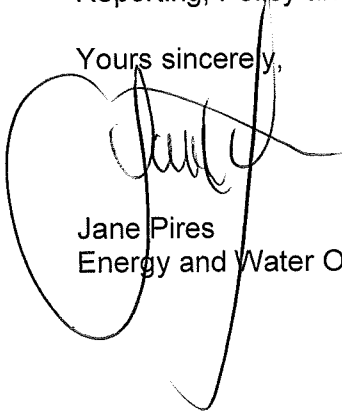
Question 4

More generally, are there any issues or concerns about the application within a retail business of the standardised statements as they are currently drafted? If so, please provide specific examples, making reference to the minimum requirement in question and which section of the drafting is of concern.

As part of the application of section 1 of the standardised statements within a retail business, EWOQ would strongly encourage retailers to implement streamlined mechanisms when working with financial counsellors and community agencies on behalf of a customer. Simplified and improved processes would be beneficial to all parties and make this process more effective for all parties.

Thank you for the opportunity to contribute to this draft rule determination. If you require any further information regarding this matter, please contact Ms Ilona Cenefels, General Manager, Reporting, Policy and Research on (07) 3087 9455.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jane Pires', is written over a large, hand-drawn oval shape.

Jane Pires
Energy and Water Ombudsman