

15 April 2016

Australian Energy Regulator

Attention: Simon Kidd  
BY EMAIL



Dear Mr Kidd

**RE: DRAFT SUSTAINABLE PAYMENT PLANS FRAMEWORK**

Thank you for the opportunity to comment on the draft Sustainable Payment Plans Framework and an extension to do so.

We have had a brief review of the documents and overall think it is a great initiative that looks like it balances competing stakeholder interests quite well. We have the following comments:

- Empathy - the requirement to give a customer time to consider the payment plan should require that the customer not have to accept the proposed plan that day. This does not seem to be reflected in the flowchart.
- Flexibility - "long term" in relation to customer's situation might need to be defined. In our experience the retailers' definition of long term is much shorter than the customers' and often unrealistic especially when customers will continue to incur substantial energy bills and have to maintain payments of these new expenses.
- The principles need to be applied whether the person continues to be a customer of the retailer or not. The retailers should treat the customers in accordance with the Framework in an effort to have them return as customers. We cannot see why there is an additional burden administering ex-customers, these people were customers and their engagement with the retailer should continue to be governed by the Framework.
- The requirement to monitor usage for customers on payment plans is a good initiative. As energy costs have risen quarterly bills are now substantial amounts often more than customers expect. Perhaps retailers should consider monthly bills for all customers so that customers can be more responsive regulating their usage to keep their bills affordable.

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- It would be good to direct retailers to avoid multiple transfers within their organisation by training staff in all divisions to apply the Framework and keep good notes of client interactions to avoid the need for multiple transfers.
- Implementing the Framework - if the Framework is fully voluntary or just for internal guidance with no accountability then we would question its purpose and suggest that all your work has been in vain. The suggestion of listing retailers on a website is a good initiative that provides some accountability on retailers to comply with the Framework but consumers need to know to check your website.

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We would also suggest having a logo that retailers could use on their own website and promotional material to advertise the fact that they operate in accordance with the Framework. This would then drive compliance by giving retailers who comply a competitive advantage as consumers hear more about the Framework. The ACCC could monitor use of this logo and pursue matters where it is used inappropriately as it does for other misleading claims, for example, "Australian Made" claims.

Should you have any queries regarding this matter, please contact the Centre on (02) 6621 1000.

Yours sincerely  
*Northern Rivers Community Legal Centre*



Katja McPherson  
Solicitor