



POWERSHOP
A better power company

28 February 2019

General Manager, Consumer and Markets
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Email: AERConsumerandPolicy@aer.gov.au

Dear General Manager

Draft AER Customer Hardship Policy Guideline

Powershop Australia Pty Ltd (**Powershop**) thanks the Australian Energy Regulator (**AER**) for the opportunity to provide comments on the Draft Customer Hardship Policy Guideline (**Guideline**).

Powershop is generally supportive of the guideline and its' objective. There are however, a few items in respect of which we would like to provide comment.

Item 11 – Overview

Powershop would discourage the use of terms like “best practice”, due to their ability to be interpreted subjectively, and would recommend inserting “adopt approaches consistent with the AER’s Sustainable Payment Plan Framework” as an alternative.

Item 27 - Retailers’ Overarching responsibilities (Dot point 2)

The Essential Services Commission’s (**ESC**), Payment Difficulties Framework (**PDF**), specifically defines when and what assistance is required to be provided to hardship customers. For consistency, it is recommended that the same provision is adopted by the Guideline. Harmonisation in relation to the management of customers experiencing payment difficulties is of the utmost importance to ensure all customers (regardless of regulatory jurisdiction) are provided consistent assistance. Given retailers have already spent millions of dollars implementing the PDF; we suggest the AER allow retailers to utilise its systems and processes for AER requirements.

Section 5 - Standardised statements

Whilst Powershop recognises the intent of this section, we do not support the level of prescription imposed by the Guideline. Retailers should have the ability to individualise their hardship policies (in compliance with regulatory requirements) in accordance with their brand and customer needs.

If retailers were required to include the proposed statements it would effectively mean that two separate and distinct hardship policies would be required to fulfill the obligations of both the AER and the ESC. An alternative to including the proposed statements in a hardship policy would be for retailers to include such statements on their webpage where their hardship policy is publically accessible. This alternative provides three benefits:

1. it will allow for a single harmonised hardship policy as opposed to retailers being required to host two policies on the website;
2. it removes the administrative burden of having two hardship policies reviewed and approved by regulators; and
3. most importantly, it would be far less confusing for customers. Having one hardship policy for all customers who need assistance is a common sense and customer centric approach to a national issue.



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If you have any queries or would like to discuss any aspect of this submission please do not hesitate to contact me.

Yours sincerely,

Scott Begg
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Powershop Australia Pty Ltd