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A better power company

3 May 2016

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

Dear Simon,

Powershop Submission – Issues for additional consultation, Sustainable Payment Plans Framework

Powershop thanks the AER for the opportunity to provide further comments in response to the AER's draft Sustainable Payment Plans Framework.

Please find below Powershop's comments on the issues raised for additional consultation.

Published retailer list

As stated in Powershop's first submission dated 11 April 2016, Powershop are of the opinion that implementing this framework is about assisting customers experiencing financial difficulties or hardship, not promoting our business.

With this in mind, Powershop's position is that consumers in these categories be afforded the right to research which energy company best suits their current situation. Therefore if both the AER and consumer stakeholders believe that publishing a list of retailers who have adopted the framework would be advantageous for consumers, Powershop support the AER's position.

Powershop understands some of the reservations raised by other retailers, in particular the concern that; *"It would be pre-emptive for the AER to publish a list of retailers before it could demonstrate the framework led to improved outcomes of consumers"*.

Powershop disagrees with the statement that if the AER were to publish a list of retailers the *"AER would be engaged in influencing consumer perceptions of retailers, which is beyond its regulatory remit"*. Powershop are of the opinion that publishing a list of retailers who have adopted the framework is not influencing consumer perceptions; it is simply being transparent and assisting consumers.



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Implementation transition period

Powershop supports the AER's proposal of publically releasing the framework 1 July 2016 and supports publishing retailers who have adopted the framework in October 2016. As stated in Powershop's submission dated 11 April 2016; this framework is in line with Powershop procedures so there is no implementation to be considered from a Powershop perspective.

Starting with 'What can you afford?'

Powershop strongly support the AER in amending this section to allow more flexibility in how the initial conversation can take place.

As stated in Powershop's submission dated 11 April 2016, the initial conversation should begin with open ended questions, framed in a way that encourages customers to think of their current situation. Having a transparent discussion with a customer regarding their; current expenses outside of energy, current energy debt, consumption and what they think they can afford, will assist the customer in making an informed decision. Notwithstanding the outcome of this review, Powershop will always assist customers in making an informed decision and will always allow customers time to consider their financial position before committing to a repayment amount.

Powershop again thanks the AER for the ongoing opportunity to participate in this process and look forward to the framework being adopted by as many retailers as possible.

Yours sincerely

Scott Begg
Powershop, Head of Retail Operations