

4 March 2019

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

Via email: AERConsumerandPolicy@aer.gov.au

Dear Ms Proudfoot,

Draft AER Customer Hardship Policy Guideline

Simply Energy welcomes the opportunity to provide feedback on the Australian Energy Regulator's (AER) Draft Customer Hardship Policy Guideline.

Simply Energy is a leading second-tier energy retailer with over 670,000 customer accounts across Victoria, New South Wales, South Australia, Queensland and Western Australia. As a leading second-tier retailer with a customer-centric focus, Simply Energy is committed to working with customers experiencing financial difficulties to break the ongoing cycle of indebtedness. Simply Energy's commitment to continual service improvement has seen it develop robust practices to help those experiencing financial hardship stay connected and pay down their debts.

In its current form, Simply Energy considers that the AER's Hardship Guideline appropriately balances the need to set minimum standards while still providing retailers sufficient flexibility in developing their hardship policies. This flexibility is necessary to allow retailers to adapt their hardship policies to align with business processes and the broader needs of their customer base.

As the frontline interface with customers, Simply Energy considers retailers are in the strongest position to provide customers experiencing financial difficulty with the support they need to manage their energy bills. For this reason, Simply Energy would caution the AER against making any further substantive changes to the Guideline that prescribe additional requirements on energy retailers.

In saying that, Simply Energy acknowledges the concerns put forward by the AER and community groups about the fact that more can be done to improve the overall quality of support that the industry provides to those experiencing financial hardship. It should, however, be kept in mind that retailers may have different approaches to assisting those in financial difficulty, reflecting the specific needs of their customer base. In view of this, a prescribed one-size-fit all approach supported by a stringent enforcement mechanism is not the answer.

Simply Energy sees greater benefit in the AER setting up a separate website dedicated to informing and educating energy retailers about best practice approaches to managing customer hardship. This website could, in turn, provide guidance material to complement the Guideline rather than imposing further binding requirements on energy retailers.

Indeed, establishing an online educational repository for industry participants could be used as the basis for all interested stakeholders, including retailers, community groups, and the AER, to interact in a collaborative manner to promote a mutual goal of protecting vulnerable customers. It could also provide the AER with a more dynamic means of communicating with industry and a basis for assisting retailers refine their own policies in accordance with industry-leading practices.

In closing, Simply Energy thanks the AER for its openness and comprehensiveness in consulting on the development of its Hardship Guideline. This process has allowed both industry and consumer representatives sufficient opportunity to put forward their opinions and concerns.

Simply Energy looks forward to continuing to work with the AER as it strives to continually improve, serve and protect the interests of energy consumers. To arrange a discussion on this submission or if you have any questions please contact Anthony O'Connell, Senior Regulatory and Compliance Officer, on (03) 8807 5134 or at Anthony.OConnell@simplyenergy.com.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'James Barton', with a stylized flourish extending to the right.

James Barton
General Manager, Regulation
Simply Energy