

Sydney Alliance

What are the key insights from our consumer and behavioural research? What are the key opportunities for the AER to improve consumer outcomes, including through the Guideline, that arise from the research? - Key insights and opportunities

The insights around the 'must haves' in the bill align with our experience working with CALD consumers in the Voices for Power Program. Additionally, the finding that receiving a bill as anxiety-inducing resonates with CALD consumers we work with too. Additionally, we would add that it does not excite most consumers. Paying an energy bill is like handling lots of other life administration - one just needs to handle it to keep the lights on. There is opportunity to conduct research about how an energy bill (which is mostly people's regular interaction with the energy system) can be more engaging and empowering- rather than a necessary tick-box in life.

We note that unfortunately, the focus groups in Sydney and Melbourne were cancelled due to COVID-19 restrictions. We also suspect that there was not an opportunity to conduct a focus group with CALD consumers. We believe that this presents an opportunity, indeed a necessity, for AER to conduct further research with CALD consumers as they have particular needs. Nearly half (49 per cent) of Australians had either been born overseas (first generation Australian) or one or both parents had been born overseas (second generation Australian). The Better Bills Guideline should have guidelines that address their needs.

What additional or new insights do you have regarding the current problems with energy bills? - Energy bill insights

Our insights relate to CALD consumers which we cannot see reflected in the current research.

- CALD communities experience structural barriers to engaging the complex energy system. Encountering technological barriers, language barriers, and socio-economic disadvantage, these communities are particularly vulnerable to shocks in the energy system. Energy literacy in these communities is low. Renewable energy and energy efficiency are technologically dynamic sectors that are often very confusing for these communities to navigate. Therefore they disengage from the energy system. The first sign of this is the reports that most people do not read their bill closely - they just pay the stated amount if it is within the range of expected cost.
- Building confidence and capacity to navigate the energy system will be a key outcomes to any service or tool that engages CALD consumers, including the Better Bills Guidelines.
- The outcomes cannot be achieved in a one-off intervention. This Better Bills Guidelines should be integrated with other approaches that is designed to assist CALD communities. For example, are there workshops or resources that assist people to read their bills, funding given to community organisations to build CALD consumer's capacity to read their bills.
- In fact, making the energy bill more simple is one tool. However, we found that once we were able to break down the elements of the bill in training, CALD consumers were able to readily read their (current) bill.

What are the key opportunities to ensure energy bills are simple and easy to understand? - Opportunities to understand energy bills

The elements of resource design that we found resonated with CALD consumers when we conducted focus groups in the Co-Design Process of the Voices for Power Energy Training Program were:

- Short resources – one or two pages
- Use of infographics and images.
- Less wordy, well organised with key information highlighted and emphasised. If there are too many words, people will disengage.
- Bigger font, especially on the breakdown of the usage charges table.

The constant feedback we received was asking why the font sizes were small. Are the energy retailers trying to 'hide' something?

Additionally, there should be resources that are readily available to the consumer that breaks down the bill for them.

Which approach do you consider preferable and why? Are there other approaches we should consider? - Preferable approach

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Therefore, we preferred the basic bill. We were surprised with the finding that the comprehensive bill was preferred over the basic bill as that does not align with the experiences of CALD consumers we work with.

Our team suggested that it would be preferable to allow consumers to customise the bill with additional information that they want. Have the 'must haves' in the bill and allow the consumer to choose which graphics/information about their usage they want to receive. There is not a one-size-fits-all approach so we should empower the consumers to be able to make choices to receive more comprehensive information if they want.

Would including 'best offer' information increase consumers' understanding of their bills? Are some consumers likely to find this more beneficial than others? What are the practical issues that need to be considered? Are there risks or potential downsides in including 'best offer' information on bills? - Including 'best offer' information

We support this recommendation.

We also think it has to also be clear for the consumer that shopping around with other retailers is still important even if they are on the best offer at one particular retailer and pointing them to the energymadeeasy website.

How can we simplify the billing regulatory framework, through the Guideline or more broadly? - Simplifying billing regulatory framework

We do not have many comments on the billing regulatory framework. We care about outcomes for consumers, especially CALD consumers. We believe that the energy regulator and energy companies should simplify the energy system, make the system more engaging and empowering for consumers while reducing cost in whatever way is feasible.

Additionally, do not forget to engage with CALD consumers in your consultation and research processes. If you don't, you are missing important insights about how the energy system deals with consumers with different needs and experience different barriers.

Would this reduce the cost to serve? If so, how? - Cost reduction

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What are the practical and implementation considerations we should be aware of in considering ideas to simplify the regulatory framework, and in developing the draft Guideline? -

Considerations to simplify framework

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Would you like to provide other information for the AER to consider at this stage? - Other information

Once again, we reiterate to allocate resources and time engage with CALD consumers in your consultation and research processes. If you don't, you are missing important insights about how the energy system deals with consumers with different needs and experience different barriers.