

Mr Daniel Harding
(A/g) General Manager, Market Performance
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Harding

RE: Retail performance reporting procedures and guidelines (2024 update) – Draft Retail Guideline submission

Thank you for the opportunity to provide a submission on the Draft Retail performance reporting procedures and guidelines. Next Business Energy P/L (NBE) is an Australian-owned and operated electricity retailer and is part of the Next Green Group P/L. NBE is focused on providing competitively priced electricity to businesses in Victoria, New South Wales, South Australia, Queensland, and the ACT, and has been retailing energy to customers since 2014.

Guideline Implementation timing

The AER's extension of the implementation time frame to 1 January 2025 is appreciated, however, given that these guidelines are not expected to be finalised until May, and may be further delayed, NBE does not believe that this will be an adequate timeframe for retailers to implement the required system and process changes. The numerous new indicators and the expansion of the existing indicators will require extensive IT system changes, resources, testing and training. NBE considers that the current commencement date increases the risk of implementation errors being introduced into the reporting, undermining the purpose of the review.

We believe that a longer timeline for the implementation is justified, and we would recommend that the new guideline apply to indicators to be reported from the 1st of January 2025 – and provided to the AER by April 2025. NBE consider that this is a logical starting point for the new indicators, rather than the from the 2nd Quarter of the 2024-25 reporting period. This will enable small retailers such as Next Business Energy to scope the changes, secure budgets and resources and implement and test system upgrades with our system suppliers.

Customer Number Reporting

Customer Number and Embedded Network customer reporting should be driven by selections made in creating the report. Retailers should select if they supply Gate Meters, or not, if they supply On-Market customers or not, or if they are an Embedded Network Manager and therefore supply Off-Market customers.

Consideration should also be given to On-Market customers who have returned to the embedded network retailer, and those customers should be considered Off-Market customers for reporting. For example, if a retailer is only supplying to embedded networks, then you could consider all their customers as being Off-Market (some may be technically On-Market, as they have returned to the retailer). The AER should also consider reporting on customers only receiving "network charge only" bills from Retailers.

The AER should note that most On-Market Embedded Network customers are Energy only, and the Energy Only subcategory should be removed.

This approach would then influence the subsequent reporting of other categories, such as family violence, debt and hardship. NBE considers that if the AER had a clear view of the break up of customers at the authorisation level, then the reporting of hardship, debt etc would not need to be differentiated at all.

Even where a large retailer might have both Off and On-market customers, they could just report their debt and hardship categories as a retailer without breakdown. The AER will have enough data from Embedded Network-Only retailers, and the customer number reporting to be able to identify trends in the Embedded Network space.

Alternatively, where a retailer has both a considerable On and Off-Market customer base, they could be required to separately report on each.

Revision to Indicator 2.9

Indicator s2.9(a) should be changed to state 'receiving a fully or partly Government funded feed-in tariff.' This will clarify that retailers report on only those customers who are recipients of a feed-in tariff that is partly Government funded.

Complaint Definition

Next Business Energy does not consider that it is reasonable, or practical that each contact from a customer about a single complaint should be counted as a separate complaint as this will inflate the number of complaints by category.

NBE considers that the AER should amend the definition to state that 'More than one type of complaint can be made by a customer in a single contact. Multiple contacts regarding the same complaint should not be counted as multiple complaints.' It is clear to NBE that multiple calls about one issue are not multiple complaints, but more a reflection of the customer's frustration about the complaint not being resolved satisfactorily or in a timely manner.

Embedded Network Indicators

As we have previously noted, we believe that getting the definition and count of a retailer's customer (Grid-connected, On-Market and Off-Market) correct, would then reduce the need to have embedded network-specific indicators, as they could be readily differentiated by the reported customer numbers, reducing the amount of reporting required by retailers.

Distribution Network Level Reporting.

Next Business Energy does not consider that reporting should be differentiated by Distribution Businesses, as that does not directly correspond to Jurisdiction.

Customer Contacts

The ability to differentiate customer contact by telephone and by website portal, or via social media is almost impossible and adds no appreciable context or nuance to reporting. Next Business Energy recommends that contact points should just be reported at the contact point level.

NBE also notes that the definition of contact via a portal is quite limited and recommends that this should perhaps be broadened to all non-telephone customer contacts.

Should you require any further information regarding this submission, please do not hesitate to contact me on 0419 388 283 or via email at andrew@nextbusinessenergy.com.au

Regards

A handwritten signature in black ink, appearing to read "Andrew Mair".

Andrew Mair

Group Manager Regulation and Compliance

Next Business Energy