

# Minutes



## Better Bills Guideline Working Group

Monday 24 January 2022

1:00–2:00pm (AEST) | 1.30–2.30pm (ACDT) | 2.00–3.00pm (AEDT)

Location: Microsoft Teams

### Attendees

Organisation	Representative(s)	Role
Australian Energy Regulator	Kathie Standen	Chair
Australian Energy Regulator	Simone Tyson	Presenter
Australian Energy Regulator	Bronwen Jennings	Presenter
ActewAGL	Dylan Walsh	Member
Alinta Energy	David Calder	Member
Aurora Energy	Giles Whitehouse	Member
Australian Energy Council	Ben Barnes	Member
Council of Small Business Organisations Australia (COSBOA)	Elle Marengo	Member
Council on the Ageing	Robyn Robinson	Member
Energy & Water Ombudsman NSW	Rory Campbell, Emma Wortley	Member
Ethnic Communities Council of NSW	Iain Maitland	Member
Financial Counselling Australia	Lynda Edwards	Member
Meridian Energy / Powershop	Lauren Kane	Member
Origin Energy	Carol McArdle	Member
Queensland Council of Social Service	Wendy Miller	Member
Tasmanian Council of Social Service	Stephen Durney	Member
Uniting Communities	Mark Henley	Member
Australian Energy Regulator	Mark McLeish	Observer

Australian Energy Regulator	Louise McCue	Observer
Australian Energy Regulator	Elizabeth Tuckett	Observer
Australian Energy Regulator	Keira Germech	Observer

## Apologies

Aurora Energy	Giles Whitehouse	Member
Queensland Council of Social Service	Wendy Miller	Member
Tasmanian Council of Social Service	Stephen Durney	Member

## Agenda items

### 1 Welcome

- Kathie welcomed members and opened the meeting, noting that an update on the small business research would be provided and discussion would focus on views on the consultation questions contained in the draft Guideline.
- Kathie noted slides would be shared with members.

### 2 Update on small business research by Hall & Partners – Simone Tyson

- Simone noted that the research was undertaken to provide additional small business insights following the BETA residential customer research. This additional research was published at the same time as the draft Guideline. The AER acknowledged the support of COSBOA in undertaking this research.
- Hall and Partners undertook four focus groups, capturing views from a total of 25 small business owners across a diverse range of locations and industries. They also conducted interviews with seven leaders and representatives of small business peak organisations to help validate these findings.
- Overall, the findings indicate that, by and large, small business owners would benefit from the same or similar billing information as residential customers. Key findings include:
  - SMEs are time poor and less engaged than residential customers – when it comes to analysing energy bills, they do so quickly and see energy as just one cost of running a business;
  - Alignment between formats with billing software is preferred;
  - A detailed bill is preferred, and a bill amount would need to be significantly different to what the SME had forecast for them to spend the time engaging with a retailer; and
  - Would contact retailer if they need an extension or assistance.

## Discussion

- It was noted that online survey is not always effective for Culturally and Linguistically Diverse (CALD) consumers and asked how many CALD small business owners was asked. Previous CALD SME research has been undertaken by the Ethnic Communities Council of NSW (ECC NSW), with an offer to share this research.
- Simone will confirm the statistics on CALD small business participants and provide advice back to ECC NSW.

## 3 Draft Better Bills Guideline – Discussion

- **Design principles** – Working Group members noted:
  - The design principles make sense/are common sense;
  - Ensuring bills are clear and simple is essential;
  - Some retailers consider compliance with the design principles should be optional to provide retailers with more flexibility;
  - Some retailers noted that it will take time to implement the design principles and this will be challenging;
  - In relation to the principle which refers to taking into account up-to-date consumer insights, a member suggested the AER should establish a central repository of consumer research and insights which would aid small retailers;
  - Some stakeholders would prefer the design principles (and other aspects of the Guideline) required standardised terminology for bills.
- **Tiered approach to billing** – Working Group members noted:
  - The degree of flexibility in the Tier 2 requirements in the draft Guideline will work well for retailers and consumers;
  - Some stakeholders are undertaking analysis of the costs to implement the Guideline;
  - Some retailers consider the proposed Tier 1 requirements largely reflect current business practices;
  - The final Guideline should ensure there is no unnecessary duplication between the proposed ‘understanding my bill’ section and the ‘plan summary’;
  - Some members considered the benefits of standardisation need to be weighed against scope for innovation and meeting varied consumer preferences;
  - Some members suggested additional information should be required by the Guideline e.g. presentation of an EME phone number and the type of meter the customer has, which would assist consumers generally and also CALD consumers.
- **Proposed ‘better offer’ requirement** – Working Group members noted:
  - Some retailers are now undertaking an analysis of the cost to implement the proposed better offer, based on the Victorian approach;
  - Some consider the consumer and market benefits of including a better offer are not clear, based on data and experiences with the Victorian ‘best offer’ requirement;
  - Some consider that, for smaller retailers who do not currently operate in Victoria, implementation costs will be greater;

- Some retailers are currently considering how they will implement a NECF better offer requirement, as the ACT is requiring a best offer message too;
- Some suggested that further information should be required by the Guideline e.g. an EME phone number and the type of meter the customer has, which would assist consumers generally and also CALD consumers.

- **Implementation:**

- Kathie noted the AER welcomes information from stakeholders about costs to implement the Guideline’s requirements.
- Members noted the AER is proposing a transitional approach through to 31 March 2023, which is the latest date the Guideline can be implemented under the rule. Some stakeholders indicated that implementation will be challenging in this timeframe.

## 4 Conclusion

- Next steps:
  - Submissions close 31 January 2022;
  - Stakeholder forum will likely be held in late February;
  - The next working group meetings will be held in February and March.
- Kathie thanked the group for their contributions and noted that the project team is available should members have any further questions.

## Action items

Agenda Item	Action	Owner
1	Slides for the meeting would be shared with members (complete)	Project Team
2	Simone to confirm the statistics on CALD small business participants in the research and provide advice back to ECC NSW (complete)	Simone Tyson