15 May 2023

**Energy**Australia

Mark Feather General Manager Strategic Policy and Energy Systems Innovation Branch Australian Energy Regulator

Lodged electronically:

Dear Mr Feather





AER Better Bills Guideline – Bill Relief Rebates Message

EnergyAustralia is one of Australia's largest energy companies with around 2.4 million electricity and gas accounts in NSW, Victoria, Queensland, South Australia, and the Australian Capital Territory. EnergyAustralia owns, contracts, and operates a diversified energy generation portfolio that includes coal, gas, battery storage, demand response, solar, and wind assets. Combined, these assets comprise 4,500MW of generation capacity.

EnergyAustralia appreciates the opportunity to comment on the proposal for retailers to include a National Energy Bill Relief rebate message on customer bills. We are grateful for the Federal and State Governments (Govt.) consideration for the impact energy bills can have on customers, particularly those in vulnerable circumstances. While we have been very supportive of, and assisted with the development of, the retail component for the bill relief rebate, we have some reservations on the proposal to include a bill rebate message in retailer's existing bills and our *AER Billing Guideline* compliant bills.

Firstly, we believe it is important to consider the policy implications of this proposal, the Billing Guideline involved extensive consultation and the evaluation of significant research, it is therefore troubling that this proposal is suggesting a solution that does not align with the established intent and direction of the Billing Guideline. The AER determined that *any amount deducted, credited or received under a government funded energy charge rebate, concession or relief scheme or under a payment plan* must be in the *understand your bill* section (Tier 2 information), which is in contradiction of the proposal as it requires including a customer's specific credit amount from the Energy Price Relief Plan on the front page (Tier 1).

It is understandable and justifiable that Federal and State Governments desire to notify customers of the rebate they have received, and we don't want to unreasonable inhibit their ability to do so; however, we think it is prudent to consider a least cost option for providing this notification. The proposal requests a notification on the front page of current retailer bills, and requires it on forthcoming Billing Guideline compliant templates, specifying the amount a customer has received through the rebate. While a generic message on the front page is largely possible, any additional complexity will result in a more costly and time-consuming solution to implement.

The proposed bill message will require retailers to include different messages to customers based on a range of criteria (outlined below), this complexity increases the difficulty and ultimately the cost of delivering the bill message:

- 1. Concessions customers
  - a. Different amounts are being proposed for each state and some are considering a longer duration for the rebates to be applied.
- 2. Family Tax Benefit customers
  - a. Combining the initial two payments, as their first credit will be delayed until Services Australia can implement the changes required to its system.
- 3. Small Business Customers
  - a. Unclear how we this cohort of customers will be identified, but is likely to be a manual process; no clear way to notify retailers regarding eligibility, or how we would exclude small business that are part of a collective agreement (multi-site billing for large Commercial and Industrial customers).
- 4. Embedded Network Customers.
  - a. Embedded networks have different concession processes based on jurisdiction, it will therefore require different bill messaging processes based on this, e.g., QLD has concessions eligibility determined through the retailer, while every other state the customer applies directly. Where we are not part of the application process (outside of QLD), we may not be aware if the customer has received a rebate.
- 5. Potentially different requirements in states not under the jurisdiction of the AER, e.g. ESC determines the billing requirements in Vic.

Each of these billing considerations will require a mix of automation and manual intervention, but all will come with a cost to implement. Additionally, retailers have resource constraints due to the delivery of a range of initiatives, Consumer Data Right, and the Billing Guideline, which are two key projects that will be impacted by delivering the proposed changes, due to limiting resources assigned to their completion and impacting the design they have established and commenced delivery of.

Therefore, we urge the AER to consider amending the message to a generic sentence, sent to eligible customers, which acknowledges a rebate has been applied, and refers the customer to the credits/debits section of their bill (Tier 2 in the Billing Guideline) for the specific details. This will ensure consistency and increase understanding of billing as credits will be in the area deemed appropriate through the AER's research and testing, and will minimise the cost for retailer's to implement.

If you would like to discuss this submission, please contact me on

or

Regards

**Travis Worsteling** 

Regulatory Affairs Lead