



V15/676

Ms Sarah Proudfoot
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Dear Ms Proudfoot

Thank you for the opportunity to make a submission in response to two open consultations being administered by the Australian Energy Regulator (AER). These are the consultations on Regulating innovative energy selling business models under the National Energy Retail Law, and the Amendments to the Retail Exempt Selling Guideline. Given the close links between these issues, I would like to request that the AER considers this submission under both processes.

It is important that the regulatory framework supports flexibility and a principle's based approach recognising that the range of products and services available to customers is changing through new technologies and policies such as NSW's voluntary rollout of smart meters.

New business models have the potential to support innovative products and services that help customers participate in the market and broaden customer choice. However, in supporting customer engagement in the energy market, a critical element is simplicity and ensuring customers are confident in the knowledge of their customer rights and protections. Where different consumer protections attach to exempt sellers, it is critical that customers can readily identify the differences and there is a clear rationale for such an approach.

The current Retail Exempt Selling Guidelines are complex and difficult for a customer to understand if they are not familiar with the energy market. Customers of innovative business models and exempt sellers should be able to easily identify what these customer protections are, without having to navigate the complex exempt seller framework.

A customer who understands their rights and protections may be more willing to engage with innovative and exempt sellers, offering products such as smart metering products and solar PV and storage combined offerings.

Yours sincerely

Katharine Hole
A/Deputy Secretary
Resources & Energy

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