14 July 2026

Paul Harrigan
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Dear Paul,

AER Retail Guidelines review – draft guidelines Submission

Thank you for the opportunity to comment on the Retail Guidelines review – draft guidelines (Guidelines).

The comments contained in this submission reflect the views of the Energy and Water Ombudsman Queensland (EWOQ), Energy & Water Ombudsman South Australia (EWOSA) and Energy & Water Ombudsman NSW (EWON). We are the industry-based external dispute resolution schemes for the energy and water industries in New South Wales, South Australia and Queensland.

We have collectively reviewed the draft Guidelines and broadly support the proposed changes. We acknowledge the AERs positions as outlined in the Guidelines but take this opportunity to re-emphasise some key issues detailed in our response below.

If you require any further information regarding our submission, please contact Mr Jeremy Inglis, Manager Policy and Research (EWOQ) on 07 3212 0630, Mr Antony Clarke, Policy and Governance Lead (EWOSA) on 08 8216 1861, or Mr Bryce Purches, Manager Policy and Systemic Issues (EWON) on 02 90786901.

Yours sincerely

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New South Wales

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The scope of this review focuses on simplifying the guidelines, improving retail communications, and managing increasing complexity for retailers. This is a reasonable approach and we are broadly supportive of the changes. We also note the AER make space for amendments if best practice warrants change but we suggest a cautious approach to ensure protections are upheld and explicit requirements for retailers maintained where appropriate.

Part 2

Definitions and Standardised Terms

Part 2 sets out the definitions of terms and phrases used in the guidelines as well as standard terminology.

The draft enhancements of defined terms are supported and together with the plain language should support improved retailer compliance and understanding.

We note the AER clarified the definition of 'restricted plan' to include plans that require specific proprietary technology and/or equipment. We are supportive of this change.

We also note the inclusion of a 'secondary settlement point' definition and this is welcome. Secondary settlement points are still somewhat of an unknown in terms of Retailer and consumer take-up but it feels like an area of significant potential risk. We suggest the AER be open to reviewing the guidelines in response to any retailer confusion and/or consumer risks that emerge from implementation of secondary settlement points from 1 November 2026.

We are pleased the AER has adopted our suggestion for amending the definition of 'charging window' to make it less vague.

Another opportunity for clarification is defining the term 'credit'. We recommend adding a definition of 'credit' to the guidelines to confirm it includes customer payments, to avoid any possible misinterpretation. Our office has recently received a complaint where a retailer argued that a customer payment does not count as a 'credit' under Tier 2 information in the Better Bills Guideline – 41(c)(vii) under the existing version, 62(b)(vi) under the draft new version. A customer is much less likely to understand what they owe if tier 2 information does not include payments made by the customer.

Customers contacting ombudsmen schemes intending to contact their retailer

We strongly support maintaining Ombudsman details as Tier 1 bill information. It would be helpful for specific wording to accompany Ombudsman contact details on bills to clarify when we can assist.

Further improvements recommended by ECA as part of the consultations:

- Information should focus on clarifying how and when different dispute resolution pathways apply. Communications should help consumers understand the retailer's role as the first point of contact, the ombudsman's role as an escalation point for unresolved complaints, and how consumers move between these steps, including other forms of support options such as financial counselling.

Part 3
Design principles

Design Principles for Communications
This Part sets out the obligations relating to the design of *communications*. The guidelines emphasize fairness, honesty, and clarity in all customer communications, requiring simple language, prominence of key information, and logical structuring. These changes are welcome and should support improved customer understanding of important information.

Comments on plain language.
Communications to customers need to be clear and consistent. We support the amendments outlined by the AER and we continue to advocate for standardised terminology that is simple and consistent between retailers, as this would likely lead to the most positive outcomes for customers and retailers.

Some key issues to note are prioritising eligibility criteria, restricting the reuse of energy plan names, and considering conditions for external control of customer appliances or requirements where changes in the customer's usage behaviour are relevant.

Accessibility expectations need to reflect how consumers actually interact with retailers. Consumers interact with retailers through a wide range of touchpoints, including bills, emails, letters, apps, web portals, phone calls, benefit change notices and payment difficulty communications. Applying the same principles across the channels makes sense. This will ensure that consumers can choose and rely on their preferred channel without losing access to critical information.

Presentation of information is important but the focus remains whether consumers can meaningfully understand how changes affect them financially, and what options are realistically available. The review of design principles should move beyond assessing whether communications look better and instead focus on whether they work better for consumers. Accessibility challenges ultimately reflect the broader complexity of the retail energy market.

Part 4

Comparative Information and Better Offer Messaging.
We acknowledge the AER has enhanced these information requirements and in particular "eligible offers", and introduced various measures to address 'same name' energy plan issue which addresses most of our concerns.

Improving visibility of better offer messages
We welcome the inclusion of better offer messages on the bill and any written communications relating to and sent at the same time as a bill. We still consider there are further opportunities to ensure this important message is received by energy consumers. Various modes of communication are available, and we encourage the AER and Retailers to seek opportunities to enhance this important communication at every opportunity as we outlined in our previous submission.

We are also aware of situations where the Better Offer message doesn't work well due to other contract T&Cs but these are problematic to exempt and therefore we suggest this issue continues to be closely monitored by the AER.

We also note there may be opportunities to ensure customers are genuinely receiving the best offer plan for their energy supply. The increased penetration of smart meters and coupled with customer usage and TOU data means the customer should be presented with all eligible offers, beyond 'like for like' plan comparisons. For example, a customer on a flat tariff being presented with the best available market offers for comparative purposes using credible customer usage data available to the retailer.

Part 5
Plan Information Presentation and Documentation

This Part (together with Parts 1, 2 and 3) is the 'AER Retail Pricing Information Guidelines' made in accordance with sections 61 of the National Energy Retail Law. The purpose of this Part is to establish requirements for retailers in the presentation of standing offer prices and market offer prices.

Under the draft guidelines, retailers must clearly present plan details, including name, pricing, fees, contract terms, and a link to plan information documents to help customers understand and differentiate between the key features of standing and market offers and enable them to choose the best plan.

We are concerned that the draft guidelines represent a significant reduction of key information from the previous Retail Plan Information Guideline (RPIG). This is the first real consultation on the content in 6-7 years with minimal information about why the AER has made many of the changes.

1. *Changes to wording for third-party marketing*
   The guideline appears weakened with regards to third party marketing. There is only one reference to '*Retailers must ensure that a link to the plan information documents is provided for any marketing of generally available plans on third party comparison websites or sales websites.'*

   It would be helpful to understand the AER's reasons for making these changes.

2. *Consolidation of fee section*
   We acknowledge there has been a comprehensive effort to minimise duplication including clauses to support improved compliance and regulatory burden. We are however concerned about consolidation of many clauses – for example, the section on Fees (eg which previously listed 'key fees') has been completely removed and consolidated into a requirement to have fees on plans. We note these changes may be timed with the changes to fee rules from 1 July 2026 but it would be helpful to understand the reasons for making these changes.

   We would caution against measures that may undermine clarity of fees and charges, and recommend Retailers are required to be transparent with a clear schedule of fees that maybe applicable to their customers.

While we support plan updates to include commencement date to avoid consumers unintentionally remaining on a less competitive plan, we consider exploring the option to require retailers to provide different names for different plans the best long term solution. This is likely to deliver clarity for consumers and support customers' ability to make informed decisions about their electricity retailer and plan.

We acknowledge the AER has introduced requirement for flexible plans - retailers must provide information to help customers understand the features and benefits of the flexible plan, and how to make the most of them. We support these new information requirements which encompass CER type plans and will help make the guidelines more fit for purpose in an evolving market.

We also support proposed changes to energy made easy website and simplified terms to ensure consistency.

Part 6
Benefit Change Notices Requirements

Part 6 is the Benefit Change Notice Guidelines made in accordance with rule 48B of the Retail Rules. It sets out the obligations that retailers must follow in preparing and issuing benefit change notices.

We note and support the key changes:

- More prescriptive requirements including timing (20–40 business days before the change).
- Mandatory inclusion of a better offer message and clear instructions for customers to compare plans.
- Enhanced accessibility and communication requirements, especially for customers affected by family violence.

We suggest adding Ombudsman details to Benefit Change Notices (under Part 6), with wording along the lines of:

> "If you contact your retailer about the Benefit Change Notice or any of its details and you receive an unsatisfactory response, you can contact your local Energy Ombudsman on [phone number] or [website]."

Part 7
Customer bills

We note the enhancements outlined in the new billing guidelines and provide our overall support for the design principles and proposed amendments/improvements.

The following comments are provided for consideration by the AER.

Opportunity to make estimated bills more fit for purpose for interval data

We welcome changes to the guideline that acknowledge that rules for estimated bills are currently not fit-for-purpose for smart meter billing and can lead to customer confusion. The estimated bill must now also specify the proportion of the customer's billing period that is estimated:

- a requirement to include the approximate percentage of data that is estimated as Tier 2 information.
- No use of abbreviations (E) must be written in full – 'based on an estimation'.

We reiterate our concerns regarding the next Scheduled Read Date for gas meters and manually read meters

While Next Scheduled Read Date information is not relevant for customers with remotely read smart meters, our complaints indicate that remains relevant for:

- customers with manually read legacy meters
- customers with Type 4A meters, whether by choice or due to connectivity issues
- customers with gas.

To assist these customers, the guidelines should be updated to include a requirement to include the Next Scheduled Read Date for these meter types "If applicable" your next scheduled read data is. [x]. This is particularly important for customers who need to provide access to their meter.

Concession information - Improving visibility of concession and rebate eligibility

Concession and rebate information on energy bills should enable energy consumers to easily identify whether they are receiving all the assistance they are entitled to and understand what to do next if they are not. This is particularly important for households experiencing vulnerability or payment difficulties, yet uptake remains unacceptably low.

We support new inclusions in Tier 1 which relate broadly to concessions/rebates:

- New short message prompting customers to check the 'understand your bill' section to see if they have received a rebate or concession. The 'understand your bill' section forms part of Tier 2 information requirements. Note this is an improvement but still not direct information about concessions and rebates but may prompt customers to question their eligibility.

We note the AER have also incorporated the existing section 37 notice energy bill relief messaging into the guidelines, but with amendments to make the message more general in nature rather than specifically referring to energy bill relief measures which are no longer in effect.

Requiring final bills to include messaging on the non-transferability of concessions between retailers.

We acknowledge this has been adopted and are supportive of this change which will aid customer knowledge and helps to avoid missed entitlements.

Whilst the new rules do not apply to embedded network customers of Exempt Sellers, there are current obligations under the Retail Exempt Selling Guideline for Exempt Sellers to:

- notify customers in writing at the start of their tenancy of any relevant government or non-government support that is available to help customers, including concessions, rebates, or relief schemes (condition 2 (1)(f))
- give the exempt customer information about relevant government or non-government energy rebates, concessions and relief schemes when the customer informs the Exempt seller they are experiencing payment difficulties (condition 9 (1)(c))

The AEMC has recommended the AER develop and update the Guidelines so that the expanded obligations apply to Exempt Sellers.

Improving transparency of fees and charges

In light of the changes introduced by the AEMC's removing fees and charges rule change[1], some key fees outlined in the Retail Pricing Information Guidelines required adjustment, qualification or rearrangement which we are pleased has been addressed.

[1] AEMC, Improving consumer confidence in retail energy plans – Final determination, 19 June 2025

Part 8
Customer Hardship Policies

Removing the term 'hardship'
First and foremost, we recommended that the term 'hardship' should be removed from the National Energy Consumer Framework (NECF). The term is a stigmatising label for individual customers and does not reflect that the system of essential services, including energy, is unaffordable. A radical change in language would support self-identification and retailer identification of customers experiencing financial, personal or household challenges. Unless you change the terminology, you don't change the mindset.

We thank the AER for exploring opportunities to use alternative language to the term 'hardship' by:

- significantly decreasing use of the term in the guideline section, intending only to use this term when legally required or where customer protections could otherwise become unclear under the current NECF requirements.
- where the term is retained in the guideline, using it to refer to the program, not label customers.
- where the term is retained in the standardised statements and refers to customer circumstances, using the softened phrase "experiencing payment difficulties due to hardship" instead of the harsh label "hardship" or "financial hardship".

Next steps

We acknowledge that complete removal of the term 'hardship' from the NECF will be complex and potentially incremental, given the requirement to amend the National Energy Retail Rules and National Energy Retail Law. We welcome the initial steps taken by the AER to start changing terminology and, ultimately, mindsets.

We also welcome the AER's commitment to continue progressing this issue, particularly in the Australian Government's Better Energy Customer Experiences (BECE) process. We look forward to working with the AER, and other stakeholders, to ensure that the critical consumer protections in NECF are reviewed and updated.

Wording highlighting retailer discretion

The AER has omitted the following wording from the updated version:
We note that, whilst retailers must comply with this Guideline, the Retail Law and the Retail Rules, they may also elect to use language other than the term 'hardship' when communicating with customers about hardship…. While this Guideline works with the terminology provided for in the Retail Law and Retail Rules, where appropriate it is good practice to ensure that communication with customers is guided by customer needs and preferences.

We acknowledge that this appears to have been replaced by the following more general requirement:
In addition to the specific requirements in this Customer Hardship Policy Guideline, the AER expects retailers to consider and adopt better practice to meet customer needs.

We recommend retaining an explicit instruction to retailers, strongly encouraging them to use language other than the term 'hardship' when communicating with customers. Retaining this wording highlighting retailer discretion better aligns with the AER's efforts to reduce use of the word in the guideline.

Consolidated guideline:

We maintain our preference that the Customer Hardship Policy Guideline should not be combined with the other three guidelines but acknowledge the AER's reasons for doing so. There does not seem to be any weakening of requirements, and the AER has taken up some of our suggestions to strengthen the protections.

Part 8 (together with Parts 1, 2 and 3) is the Customer Hardship Policy Guideline made under rule 75A(1) of the Retail Rules, and creates binding, enforceable obligations on retailers to strengthen protections for customers experiencing payment difficulties due to 'hardship'. We support updates that provide:

- Stronger requirements for accessibility, communication, and support for vulnerable customers.
- Clearer processes for policy approval, variation, and publication.
- Emphasis on fair treatment, transparency, and last-resort disconnection.
- Expanded standardised statements for inclusion in hardship policies.

We note the AER have retained the core obligations from the previous Customer Hardship Policy Guideline, including early identification of payment difficulty due to 'hardship', ongoing assistance for the duration of payment difficulty, and we welcome inclusion of the principle that disconnection is a last resort in the standardised statements.

We acknowledge rules under the NERR and NERL limited more expansive changes at this time. We note that parallel reforms to improve protections for customers experiencing payment difficulties (BECE and the AER's payment difficulty rule change requests) are underway and we will be engaging in those reviews.

Commentary on Standardised Statement:

We welcome the commitments in the standardised statements of retailer hardship policies to maintain action-based and specific commitments of retailers to their customers. This helps ensure appropriate protections for consumers are safeguarded and benefit from continuous improvement and best practice moving forward.

Standardised statements must reference the customers' right to access Energy Ombudsman Schemes

We strongly support the inclusion of a referral to Energy Ombudsman Schemes in Standardised statement 9:
You can contact your local ombudsman, if you are:

- refused a payment plan or are only offered a payment plan that is unaffordable
- deemed ineligible for our hardship program
- denied any other assistance referred to in this policy.
- [retailer to add relevant states/territories Ombudsman details, including contact number]

Amending standardised statements
We welcome the inclusion of statement 10, which reduces the threatening nature of disconnection.

> **Disconnection as a last resort option**
> We will only disconnect your premises due to an inability to pay energy bills as a last resort option.

Formal requirements for completing payment plan and affordability program assistance

We recommend that the Customer Hardship Policy Guideline should include the scenario when customers successfully finish a set payment plan by "completing" or “graduating from” an arrangement after a fixed period or based on a specific retailer criterion, rather than being removed or failing.

We maintain the view that when customers successfully complete a payment plan or finish an affordability program, they should not be automatically removed from the plan or program without any notification or support from their retailer. Without any formal requirements for retailers and a supportive framework for customers, consumers are at risk of missing payments and continuing to experience affordability issues (eg failing to make a payment because they were unaware that their payment plan had stopped, then receiving late payment fees and disconnection notices).
Potential standardised statements for these scenarios could include:

- “Once you've completed/graduated from your payment plan, we will not move you to a different plan without speaking with you first”
- Alternatively, the retailer could be required to write to the customer upon completion of their payment plan.

Closed accounts

Customers who are experiencing financial vulnerability and close their account will continue experiencing financial vulnerability and will need assistance in dealing with debt. We are pleased the draft guideline has introduced formalised protections for closed accounts both in the guideline and standardised statements. We supported this position in our earlier joint submission to this review and advocated for this in the Payment Difficulty Framework Review.

Other feedback:

Periodic review of Guidelines

We recommend the AER commit to periodic review of the consolidated guideline so it remains fit for purpose as the energy market and consumer needs evolve.

Delay commencement of new Guideline

We support delaying commencement of the guidelines until 31 December 2026, which aligns with the date the National Energy Retail Amendment (Assisting hardship customers) Rule 2025 comes into effect.