



## Consumer protections in an evolving market

The Australian Energy Market Commission (AEMC) is seeking feedback on how regulations for protecting consumers may need to evolve as new energy products and services enter the market, and digitalisation changes how consumers get information about their energy supply.

### Background

In the AEMC's 2019 Retail energy competition review final report the Commission mapped the consumer protections that energy consumers in the national electricity market currently receive under the National Energy Customer Framework (NECF) and the Australian Consumer Law (ACL).

This was the first step in assessing whether energy consumers are receiving appropriate protections, and barriers to innovation are minimised. The Commission concluded that the NECF generally complemented the ACL in protecting energy consumers from harm. However, the Commission noted the need for further analysis in two areas:

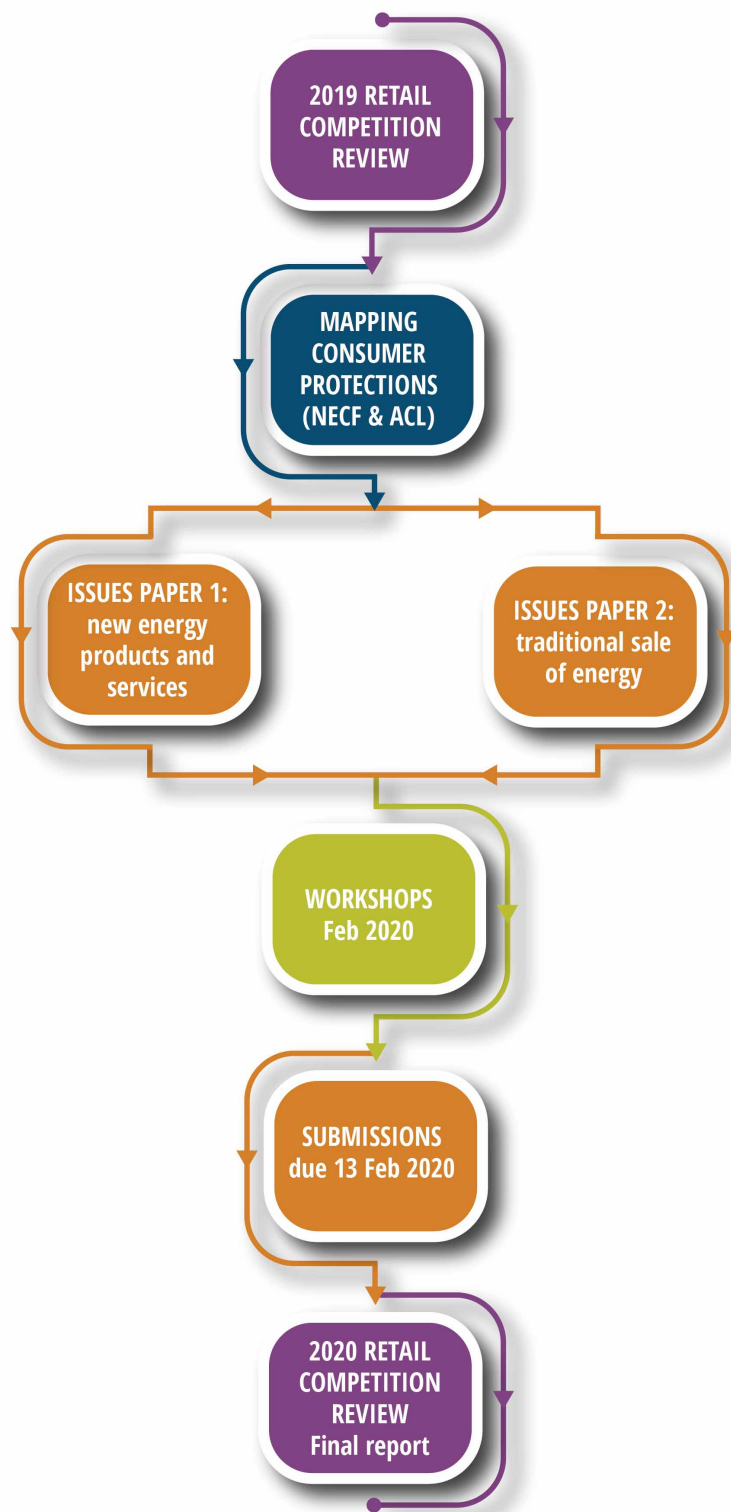
- The combination of the development of a range of new, non-traditional energy related products and services with the specific application of the NECF to the sale of energy, means there is a need to assess if (and what) consumer protections should apply to these new products and services.
- As information related provisions in the NECF are prescriptive, they may limit innovation, particularly in relation to digital technologies. Furthermore, in recent years there have been progressive one off additions to the information provisions.

### Overview

The Commission is progressing both of these areas as part of the 2020 Retail energy competition review. We have published issues papers on our consumer protections research studies and are seeking stakeholder submissions by 13 February 2020. The issues papers are structured as follows:

- **Issues Paper-1: new energy products and services.** This paper discusses how the market's evolution raises some regulatory issues related to new energy products and services and if there is a need for potential changes to the application of energy specific consumer protections.
- **Issues Paper-2: traditional sale of energy.** This paper discusses how the digitalisation of the energy market is challenging some regulatory provisions under the NECF for the traditional sale of energy. Specifically, it covers information provision, cooling-off periods and explicit informed consent requirements.

We will hold workshops in February 2020 to discuss the issues raised in the issues papers with stakeholders. For more information contact Stephanie Flechas on (02) 8296 0640 or [stephanie.flechas@aemc.gov.au](mailto:stephanie.flechas@aemc.gov.au).



For information contact:

Adviser, **Stephanie Flechas** (02) 8296 0640

Director, **Ben Davis** (02) 8296 7851

Media: Media and Content Manager, Kellie Bisset 0438 490041 or (02) 8296 7813

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