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4 August 2022

Ms Anna Collyer  
Chair  
Australian Energy Market Commission  
GPO Box 2603  
Sydney NSW 2001

Submitted electronically

Dear Ms Collyer,

**Re: Red and Lumo Submission - RRC0042 - Protecting customers affected by family violence - Draft determination**

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to make this submission to the Australian Energy Market Commission (the Commission) on the draft determination for our rule change - RRC0042 - protecting customers affected by family violence (the draft determination).

Red and Lumo would like to acknowledge the work that has been done by the Commission to progress this rule change and thank all parties involved in this consultation. Although we are generally supportive of the draft determination, which supports our original intent of improving the protections for customers affected by family violence, we provide the below feedback to improve the drafting, support retailer compliance and avoid potential unintended consequences.

Our preference is for a framework that offers certainty for retailers about the support they must provide, while granting some flexibility for retailers to engage with affected customers in a way that accounts for their specific circumstances and ensures their safety.

**Family violence as a potential cause of hardship or payment difficulties**

Red and Lumo question the decision by the Commission to amend clause 76D from our original rule change. It is unclear why the amendment was needed as the original drafting was a copy of the Victorian Energy Retail Code of Practice (ERCOP), which has been successfully in place for over two years. Red and Lumo are especially concerned by the vague drafting in clause 76D (b) which is open to interpretation and is likely to create confusion for retailers and consumers.

Clause (b) (i) appears to be a duplication with no clear purpose. This is because retailers would already need to acknowledge that a customer is experiencing payment difficulties or in hardship when they are identified as being affected by family violence under clause 76D (a), and would

offer support under existing obligations in the National Energy Retail Rules (NERR). Furthermore, the use of the term “from time to time thereafter” is extremely vague and open to interpretation. While the use of this clause for customers who are already identified as a hardship customer is not a concern as they are already reviewed as part of the Hardship Guidelines, this drafting goes much further and would place an obligation on a retailer to audit customers who have simply identified themselves as affected customers and who may not require any payment support.

Furthermore the drafting is unclear how a retailer would “consider” if a customer is a hardship customer or is affected by payment difficulties and what obligations and interpretation the Australian Energy Regulator (AER) would place on this. For example, we would welcome clarification of whether the AER would expect a customer to be adequately “considered” under the standard reminder notices and hardship process or whether it would expect that retailers would access every customer’s account, review the circumstances of the account individually and even potentially contact the customer to discuss their current circumstances.

If retailers are expected to review and proactively contact consumers to adequately “consider” them, how would this impact the agency of customers who have already identified as an affected consumer and are unlikely to want to be contacted to discuss their situation again (especially if they have no overdue accounts). Red and Lumo are concerned that the vague drafting proposed by the Commission will not only put at risk the compliance of retailers but make it difficult for retailers to build systems and processes to efficiently and flexibly support customers affected by family violence.

Furthermore, as this obligation has been listed as a civil penalty provision it is crucial that there is clarity for retailers how this obligation would work in practice. Red and Lumo propose that the Commission retain the original drafting in the rule change request and align the obligation with the ERCOP or at a minimum remove or reword clause 76D (b) to provide clarity for retailers on how this obligation would be interpreted by the regulator.

## **About Red and Lumo**

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in New South Wales, Victoria, Queensland, South Australia and the ACT to over 1.1 million customers.

Red and Lumo thank the AER for the opportunity to respond to this consultation. Should you wish to discuss aspects or have any further enquiries regarding this submission, please call Stephen White, Regulatory Manager on 0404 819 143.



Yours sincerely

A handwritten signature in blue ink, appearing to read "Stefanie Monaco", on a light-colored rectangular background.

**Stefanie Monaco**  
Manager - Regulatory Affairs  
**Red Energy Pty Ltd**  
**Lumo Energy (SA) Pty Ltd**