



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

06 March 2025

Dear Ms Collyer,

**Improving the application of concessions to bills – consultation paper**

ENGIE Australia & New Zealand (ENGIE) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) consultation paper on a rule change request that seeks to amend the National Energy Retail Rules (NERR) to require retailers to proactively seek information from consumers on their eligibility for energy concessions or rebates.

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet that includes renewables, gas-powered generation, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

ENGIE notes that the application of concession card details to energy bills is in the best interests of both consumers and retailers. Consumers experience lower energy bills, while retailers benefit from improved payment reliability and reduced credit risk. As such, ENGIE strongly supports efforts to increase the uptake of concessions on energy bills.

ENGIE is concerned, however, that the proposed rule change requiring retailers to proactively seek information on concession eligibility may have limited impact. Given the majority of customers are served by retailers, including ENGIE, who already request concession details at sign-up, additional regulatory requirements for retailers may not significantly improve concession uptake. As such, ENGIE contends that more meaningful reform would be better focused on developing methods to enable government-held concession data to be automatically shared with retailers.

Additionally, as noted in the consultation paper, the Essential Services Commission (ESC) is consulting on a similar reform to the Energy Retail Code of Practice. Depending on how this reform was implemented,

misalignment between the two reforms would likely introduce additional compliance risk and increased implementation costs if system changes were required for retailers.

ENGIE's response to this consultation paper builds on our submission to the ESC and provides feedback on the proposed requirement for retailers to proactively seek concession details, while also highlighting the benefits of a long-term solution that promotes better consumer outcomes.

### Improving the concession application process

#### ***Long-term meaningful reform should be prioritised to improve the application of concessions***

To apply concessions on energy bills, energy retailers rely on customers informing them of their eligibility and providing their concession card details and consent for the retailer to verify these card details with the relevant government department. This creates an information asymmetry: retailers interact directly with customers but lack visibility on eligibility, while governments hold eligibility data but do not know each customer's chosen retailer. As a result, the requirement for customers to manually provide their concession details to their retailer presents a barrier to universal concession uptake.

Addressing the information asymmetry issue would require long-term, meaningful reform that delivers tangible benefits. For instance, in its *Game Changer* report, the Australian Energy Regulator supported centralised access to concession eligibility data that could enable consumers to switch retailers and retain their concessions.<sup>1</sup>

A centralised database could help mitigate the barriers to concession application outlined in the consultation paper, including the additional step of consumers providing information to retailers, a lack of consumer knowledge, and reluctance to access entitlements. While this approach is outside the scope of this rule change, raises potential privacy concerns, and would require collaboration across government departments with Services Australia, it would ensure all eligible customers receive the support they are entitled to.

### Existing industry practices and proposed retailer obligations

#### ***Explicitly requesting a customer's concession card details during sign-up is a common industry practice***

Under the NERR, retailers are required to inform residential customers about the availability of concessions and rebates before forming a contract and when the retailer identifies that a customer is experiencing payment difficulties. ENGIE notes that Tier 1 and smaller retailers fulfil these obligations by explicitly asking customers about concession eligibility during sign-up.<sup>2</sup> Other retailers such as ENGIE, who were not cited by

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<sup>1</sup> Australian Energy Regulator, *Game Changer report*. [2023](#).

<sup>2</sup> Retailers cited by the 'improving the application of concessions to bills' consultation paper are: AGL, Alinta, EnergyAustralia, Energy Locals, Origin, Red and Lumo, and Shell.

the consultation paper, also request these details at sign-up. This suggests that the majority of customers are served by retailers who likely asked the customer to provide their concession card details upon sign up.

### ***ENGIE's sign-up process ensures the customer can easily provide their concession details***

ENGIE's online sign-up process is designed to be user-friendly and takes only a few minutes to complete. Figure 1 illustrates that in NECF regions where ENGIE offers residential electricity and gas plans, customers are prompted to indicate whether they hold a government-issued concession card.<sup>3</sup> The customer cannot complete the form without responding to this question, which ultimately means the customer cannot accidentally skip this step. This process ensures that customers are aware of their ability to provide concession details at the time of online sign-up, which is also replicated verbally for customers when signing up via the phone.

*Figure 1 Screenshot of ENGIE's sign up process to capture concession card details*

The screenshot shows a sign-up form with the question "Do you have a government issued concession?". Below the question are two buttons: "No" and "Yes". A "More info" link is located below the question. A blue arrow points from the "More info" link to a box titled "Concessions".

**Do you have a government issued concession?**

**No** **Yes**

**More info**

**Concessions**

If you hold an eligible concession card, we may be able to claim concessions from the state or federal governments on your behalf. Please provide your details as shown on your concession card.

### **Regulatory approach to concession collection**

#### ***Enforcing obligations on retailers to seek concession card details is unlikely to have a meaningful impact on concession uptake***

Given the above information, ENGIE does not consider there is enough evidence to demonstrate market failure with current industry practice. Introducing additional regulatory requirements through the NERR is unlikely to address the concerns raised in the rule change request when the majority of customers are served by retailers that already ask for concession card details. ENGIE would therefore prefer that industry and governments instead focus their efforts on progressing a longer-term solution that can meaningfully improve concession uptake.

Should the AEMC intend to progress a rule change, ENGIE contends a principles-based approach would be most appropriate than a prescription-based model to allow retailers who already collect concession details

<sup>3</sup> Excluding South Australia, where state regulations require consumers to apply for concessions directly through the government.

to continue doing so in a way that best integrates with their practices. Importantly, any such obligation must also account for jurisdictional differences. For example, in South Australia, retailers do not collect concession details, as customers must apply directly through the state's Department of Human Services.

### ***Civil penalties are likely unnecessary to enforce compliance***

ENGIE considers that given the widespread industry practice of requesting concession card details at sign-up, introducing civil penalties for non-compliance is likely unnecessary. Civil penalties would likely add a regulatory constraint on retailers without delivering significant consumer benefits.

### **Potential challenges and alternative approaches**

#### ***Retailer-to-retailer transfer of concession details may cause more unintended consequences than benefits***

ENGIE contends that the proposal to require information transfer between retailers when a consumer switches retailers may create more issues than it solves. This process works for NMI's because they are static values unlikely to change in the long term, if at all. Concessions on the other hand are fluid, meaning that retailers would need to contact their customers when verification fails to update the concession details, which adds an additional layer of complexity.

There is also the potential for significant implementation costs for this solution, privacy concerns and potential disruptions to retailers' existing processes for obtaining consent and verifying concession claims with government agencies. As noted by the consultation paper, retailer-to-retailer transfer would only be effective when a customer switches retailers while staying at the same premises, meaning that this process would not be able to capture customers who move residence. ENGIE contends that investment should instead focus on a solution that ensures high levels of data accuracy and customer security if retailers are expected to incur costs to implement this reform.

#### ***Retailers contacting existing customers about concession details can impact vulnerability***

ENGIE acknowledges an opportunity exists to engage with existing customers to determine whether they have newly obtained concessions that could be applied to their bills. While ENGIE seeks to proactively engage our hardship customers about ensuring their concession details are applied to their energy bill, ENGIE's experience indicates that more generally, consumers are often reluctant to answer calls from unknown numbers. Additionally, retailers are mindful that contacting customers who have previously opted not to provide concession details at unexpected times or places may inadvertently increase their vulnerability.<sup>4</sup> A customer may also be unable to make an informed decision if they rely on a support person who is unavailable at the time of contact.

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<sup>4</sup> Australian Competition and Consumer Commission, *Consumer Vulnerability: Insights and Actions*, 2021. [Link](#).

Balancing consumer protection with privacy considerations is complex as customers have varying thresholds for what they consider to be unwanted communication. As such, ENGIE would be concerned with obligations requiring retailers to contact customers regarding concession eligibility as it may inadvertently compromise customer vulnerability.

Should the AEMC choose to make a rule change so retailers have to contact existing customers outside of financial hardship programs about concessions, ENGIE contends these requirements should adopt a light-touch approach, such as a one-off mailout as suggested in the consultation paper.

***In the short term, local engagement through community outreach programs may help target the small number of customers not receiving a concession on their energy bill***

ENGIE proposes whether there is merit in a targeted, community-based approach to reach customers experiencing vulnerability to assess whether their concession card details are currently applied to their energy bill. For example, Neighbourhood Houses Victoria provided just under 6,000 individuals with energy affordability support during the third round of the Power Savings Bonus scheme, including assistance with energy bill literacy, concession backdating, comparing energy offers, accessing the Utility Relief Grant Scheme and understanding the VDO.<sup>5</sup>

### Concluding remarks

On a daily basis, the retail sector continues to manage difficult customer interactions concerning the increasing costs of energy plans. These interactions are already highly regulated and there is limited evidence to suggest further regulation will greatly improve the status quo.

ENGIE looks forward to working with the AEMC to maximise the number of concessions applied to energy bills that prioritise long-term, meaningful reform that delivers tangible benefits, rather than minor amendments with limited impact.

Should you have any queries in relation to this submission please do not hesitate to contact me by telephone on 0400 731 274.

Yours sincerely,

*Ronan Cotter*

**Ronan Cotter**  
Regulatory Advisor

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<sup>5</sup> Neighbourhood Houses Victoria, *Annual Report 2022-23*, 2023. [Link](#).