



6 March 2025

Benn Barr
Chief Executive Officer
Australian Energy Market Commission
Level 15, 60 Castlereagh Street
Sydney NSW 2000

Dear Mr Barr,

Improving the application of concessions to bills Rule change – Consultation Paper

Origin Energy (Origin) appreciates the opportunity to provide comment on the Australian Energy Market Commission's (AEMC) Improving the application of concessions to bills, Rule change consultation paper.

The most effective way to ensure customers receive the rebates and concessions they are entitled to is to automate the assessment and payment process. While we recognise that the Minister's rule change request is more narrowly focused, policy makers and regulators must continue to work towards this outcome.

We agree that the obligation should be on retailers to proactively seek information from customers (new and existing) on their eligibility for energy concessions or rebates. Origin actively engages with our new customers when they enter into agreements to ensure they are aware of their concession entitlements. In addition, we engage with our existing customers about available concessions through hardship discussions, bill messages, website updates, My Account and through regular verification of customer information.

We are confident that our approach addresses the barriers identified by the Government in terms of ensuring eligible customers are receiving their concessions. We believe the greater issue that has not been addressed relates to customers that have temporary concessions (for example Health Care Card). In these instances, the customer has lost access to their concession because they have not re-registered their entitlement, not because of the engagement between the retailer and the customer.

While this is a matter outside of the AEMC remit, we consider Governments could collaborate with retailers on ensuring these customers retain their benefits.

More broadly the lack of a standardised concession and rebates framework across jurisdictions leads to inconsistencies and inefficiencies in the administration and application of concessions. This results in each State setting differing eligibility criteria and amounts to be paid for each of the concessions and rebates. We advocate for a harmonised and streamlined approach nationwide to improve efficiency and provide customers with greater clarity on their entitlements.

We also strongly support an aspirational goal of automating concessions. We believe this would overcome the current system and process limitations. This would require broader co-operation between retailers, respective Governments, and Services Australia to identify how automated concessions could be delivered. This should include considering how existing portals could be used, whether an alternative portal would be more effective, likely timeframes for delivery, how customer information would be protected, and the resources and costs associated with any proposed solution.

Origin's views on each of the issues raised in the Consultation Paper are set out further below.

Key barriers to consumers not receiving concessions

The key objective of the proposed Rule is to remove barriers to customers accessing concessions and rebates. However, a major driver that we consider has not been addressed is the issue of temporary entitlements.

A temporary entitlement relates to a benefit that is temporary in nature. For example, a Health Care Card or JobSeeker card expires every two years while a Low Income Health card expires annually. For each of these cards, the customer is required to re-register their entitlement. However, when the eligibility expires, the customer's concession or rebate also expires. The onus is then on the customer to re-engage with their retailer to "re-activate" their concession.

We believe this is a more material driver of customers not receiving concessions or rebates on their energy bills than engagement at the time of entry into a contract.

While this is a matter outside of the AEMC remit, we consider that Governments could collaborate with retailers on how to ensure these customers retain their benefits. This work could focus on the information provided to customers as part of the re-registration process including directing the customer to contact their retailer to ensure their rebate is re-activated.

How could retailers best ask or inform consumers about their eligibility for concessions or rebates at sign up?

Communication with 'new' customers

We agree that when a customer enters into a new contract, the retailer should ask them directly whether they are eligible for a concession.

Origin has robust processes in place to encourage customers to inform us of the concession eligibility. When the customers call to sign a new contract, we will confirm and validate concessions while the customer is on the phone. These prompts are set out in our customer scripting. In addition, when a customer signs up through our online portal, the customer can confirm their eligibility.

We believe that it is more effective to confirm concession details at the first point of contact with the customer than continual communication to the customer requesting they contact a retailer to confirm.

When a customer has applied but is found to not be eligible, jurisdictional rules set out what actions a retailer must take to notify the consumer.

Communication with 'existing' customers

Origin proactively communicates and provides information to customers on the availability of concessions and rebates. Consumer bills and our website includes details regarding concessions and how to apply. We will also send customers information on concessions and rebates on a customer's request.

If a customer is experiencing financial difficulty, we will proactively ask and confirm whether the customer is entitled to a concession. It is a formal part of call centre scripting.

Our online account management app, My Account, includes a tab to allow customers to add concession details at any time.

Under Rebate Agreements, with jurisdictional governments, we are required to regularly check a concession customers eligibility and if the customer is no longer eligible, then we cease to apply the concession. When this scenario arises, we will always communicate with the customer to notify them their concessions have ceased, the reason why, and we request that the customer get into touch with Origin to update any concession details.

Retailers have limited flexibility in how concession information is displayed on customer bills, as the AER's Better Bills Guidelines dictate the placement of data and information. If governments consider concession

details and awareness a priority, they could review the data fields to determine the best approach for improving visibility and customer awareness of concessions.

We strongly oppose the Minister's proposal for a mass marketing campaign encouraging all existing customers to contact a retailer to check their eligibility for a concession or rebate. When the Queensland Government implemented a similar approach with the Energy Bill Relief Rebate, the negative feedback outweighed the benefits, leading to poor customer service outcomes. Blanket communications overwhelm call centres and create frustration for customers—particularly those who discover they are not eligible.

What should occur during a transfer?

The rule change request proposes requiring information transfer between retailers when a consumer switches retailers. It questions whether an additional field could be added to MSATS noting that there is an active concession or rebate associated with a certain NMI. If there was a flag against the NMI, the new retailer would have an obligation to check and confirm concession details.

There are several challenges and concerns associated with this proposal. Firstly, MSATS is limited to electricity customers only. Concession gas customers could be unfairly disadvantaged under this proposal as there are no system capabilities that are similar to MSATS for gas.

Secondly, MSATS does not store customer data or have the capability to do so. Market participants have raised concerns about the risks of allowing retailers to modify this data, including:

1. The potential compromise of data quality; and
2. The introduction of subjectivity into data management, as it relies on retailers to manually add and remove flags.

Additionally, should concession data be made available in MSATS, the Australian Energy Market Operator (AEMO) would be bound with customer data privacy provisions (AEMO are exempt to the extent they do not hold customer data). This could pose significant pressure on their cost recovery due to increased operating costs (system and process) and lead to an increase in participant fees.

Thirdly, the flag would only be relevant for customers who remain at the same premises while switching retailers—something not always apparent to the new retailer. When a customer transfers to Origin, we are required to establish an account regardless of whether they are a move-in customer or a transfer customer. Concession details are typically provided at the time of sign-up, making the MSATS flag redundant for move-in customers.

Finally, this information may attract anti-competitive behaviour in the retail markets – if customer data is available to the winning retailer in advance, they may choose not to onboard a customer and become selective in their acquisition strategy.

Origin believes that this process would not enhance efficiency or improve the uptake of concessions. Instead, it would introduce significant operational complexity and costs to consumers. Origin already collects this information when establishing a new customer arrangement, which remains a more practical and cost-effective solution for the market.

Extending eligibility to other household members

Eligibility for concessions and rebates are determined on a state-by-state basis. Eligibility, for the same rebate, may be different in each of the states. We understand that any proposal to extend the eligibility for concessions from the primary account holder to any person living at the address needs to be determined by state-based Governments.

This is a complex proposal. It will not only impact retailers' systems but will require collaboration with Government agencies or service providers (ie Services Australia). Concerns that need to be considered include:

- Retailers have established systems where the primary account holder is assigned financial responsibility for an account. Any policy change needs to ensure that additional account holders are not assigned financial responsibility for an account. This would be an unintended consequence.
- If rebates are extended to anyone living at the address, system changes are required to 1) capture the additional persons details and 2) validate the concession details. It could require that we validate 2-3 concession cards, for different members of the household and then consolidate the amounts and validations to appear on the one bill for the customer. This is not a current functionality. These changes will be considerable as we can only validate against the authorised account holder.
- The retailer would need the explicit informed consent from the additional household member to verify their concession details with Services Australia. Without this consent, Retailers are unable to validate the concession details provided for eligibility.
- Privacy implications need to be considered. This includes the controls that would need to be put into place to ensure the that the primary account holder do not receive private information about additional holders concession entitlements.
- Inconsistencies with this decision with other Government policies. For example, Centrepay obligations only allow for the financially responsible customer to use the services of Centrepay.

Expanding eligibility to include all household members could improve accessibility; however, any decision to do so should be carefully evaluated. Consideration must be given to the number of additional customers that may benefit and the financial impact on consumers.

Automated Concessions

There are customers who are eligible for energy concessions and or rebates that are not receiving these. The Consultation Paper notes that this could be because they are not aware they are eligible or find the application process too confronting. The most effective way to overcome this would be to automate the energy rebate payment process.

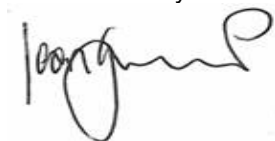
The current process involves the retailer establishing directly with the customer the basis of their eligibility. This is then validated through the API validation with Services Australia. If eligibility is confirmed, the payment is made to the customer. This is a quick and generally effective process.

The challenge in automating payments is that there is no mechanism to check eligibility beyond the current process of the customer applying with the retailer. This is because the Services Australia dataset holds all eligibility information but no customer retailer account information, while retailers hold the customer's account details but no eligibility data.

To examine how we can overcome the current system and process limitations, we propose that working group should be established made up of respective Governments, Services Australia and retailers to identify how automated concessions could be delivered. This should include considering how existing portals could be used, whether an alternative portal would be more effective, likely timeframes for delivery, how customer information would be protected, and the resources and costs associated with any proposed solution.

If you have any questions regarding this submission, please contact Caroline Brumby on (07) 3867 0863 or at caroline.brumby@originenergy.com.au.

Yours sincerely



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