

13 May 2025

Milo Letho  
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Australian Energy Market Commission  
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SYDNEY NSW 2001

Submitted electronically: [aemc.gov.au/contact-us/lodge-submission](https://aemc.gov.au/contact-us/lodge-submission)

**Reference: RRC0058**

Dear Mr Letho

**RE: National Energy Retail Amendment (Improving consumer confidence in retail energy plans) Rule 2025**

Momentum Energy Pty Ltd (**Momentum, our or we**) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) four rule change requests that have been consolidated into the National Energy Retail Amendment (Improving consumer confidence in retail energy plans) Rule 2025, draft rule determination paper.

We are an Australian operated energy retailer, owned by Hydro Tasmania, Australia's largest generator of renewable energy. We pride ourselves on providing competitive pricing, innovation and excellent customer service to electricity consumers in Victoria, New South Wales, South Australia, Queensland, the ACT and the Bass Strait Islands. We also retail gas to Victorian customers.

**We support appropriate protections that help empower customers to make informed decisions about their energy plans.**

Momentum supports the policy intent behind the four reforms, which are to empower consumers, improve consumer certainty, and allow customers to compare offers more easily.

While we support the policy intent of the measures proposed in the draft determination, we believe some modifications are needed to ensure they deliver the intended outcomes, which we have outlined in our paper below.

**Removing fees and charges**

Momentum supports the AEMC's adopted approach of removing fees and charges targeted at consumers experiencing vulnerability so that these customers only have to pay the energy rates associated with their retail offer. This reduces barriers for vulnerable customers with offers that include paper bill fees and charges for payments by credit cards. However, we encourage the AEMC provide further clarity around the customers captured under this fee prohibition to ensure this change has limitations to hardship customers only. Explicitly, exclusions of the following should be captured:

- **Small businesses;**
- **Customers on payment plans** the current provisions may capture those using flexible payment arrangements for convenience or budgeting purposes, rather than those not experiencing financial hardship;
- **Customers receiving a concession** may include veteran affairs cardholders, who may not necessarily be in hardship; and
- **The Energy Bill Relief Funds (EBRF)**<sup>1</sup> may capture all small customers receiving a government grant. The proposed amendments may inadvertently include EBRF recipients in the fee prohibition. We suggest the final rule determination outlines provisions to ensure relevant state and Commonwealth based grants are excluded (for example, the Home Energy Emergency Assistance Scheme (HEEAS<sup>2</sup>)) to remove any ambiguity regarding how small customers receive future government grants, as they may apply to all small customers.

We agree with the AEMC that fees and charges for all other customers should reflect the reasonable costs incurred by the retailer in providing the service to which the fee or charge relates. However, given the June 2023 ACCC Inquiry into the National Electricity Market<sup>3</sup> noted that “for most customers, fees and charges have a minimal impact on the overall cost of electricity,” we would request that the AEMC consider the benefits and costs of prohibiting move-in or move-out fees for all.

Momentum does not consider it fair or equitable for costs to be spread across all customers for move-in or move-out requests. These costs are set by the distributor or metering co-ordinator (MC), rather than by the retailer and relate to individual customer needs. Momentum does not levy additional charges on these fees, and they are treated as a direct pass-through to the customers as a separate line item on their energy bill. We consider that if network fees should not be charged to retail customers, they should likewise not be imposed upon retailers. If the proposed rules are implemented to prohibit these fees, then the Default Market Offer (DMO) must reflect this change to help retailers manage any increased costs.

### **Preventing price increases for a fixed period under market retail contracts**

Momentum welcomes greater flexibility in providing for price change events in the month of July. However, we have concerns around the requirement for retailers to provide 20 business days advance notice before any new tariffs apply.

This requirement will place unnecessary strain on retailers, as we can only begin preparing for a price change event once we receive the DMO Final Determination and network prices. It would be difficult for retailers to complete the preparation and implementation of a price change event within these

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<sup>1</sup> ‘Energy Bill Relief Fund’, *energy.gov.au*, 25 March 2025, Accessed 11 May 2025, <[energy.gov.au/energy-bill-relief-fund](https://energy.gov.au/energy-bill-relief-fund)>

<sup>2</sup> ‘Home Energy Emergency Assistance Scheme (HEEAS) Application Form’, *Queensland Treasury*, 15 January 2025, Accessed 11 May 2025, <[heeas-application-form.epw.qld.gov.au](https://heeas-application-form.epw.qld.gov.au)>

<sup>3</sup> Australian Competition and Consumer Commission (ACCC), 2023, *Inquiry into the National Electricity Market: June 2023 Report*, pg. 28, AGPS, Canberra

timeframes and would likely lead to a gap between the change in the cost base and consumer pricing, which may expose retailers. We believe this notice may not be necessary in the long term if price change events occur once per year, within the same month. This would provide customers with sufficient price certainty, thereby doing away with the need for the proposed advance notice. In the event the proposed rules are implemented, we recommend that the DMO Final Determination and network prices be released earlier to allow retailers sufficient time to prepare and implement activities to provide the advance notice to customers.

Momentum notes that the Queensland Treasury's recent discussion paper <sup>4</sup> recommends removing the derogation requiring retailers to provide at least 10 business days' notice of a price change. Retailers would only be required to provide customers with at least five business days' notice of any price change, harmonising with the national rule. The discussion paper noted, "Consumer groups also suggested the derogation be increased from 10 business days to 20-40 business days to align with the fixed benefit change notification; however, no further evidence was provided to support this position." We would request that the AEMC harmonise the rules and consider the actual consumer benefits achieved by the change compared to the costs of increasing the notice period to 20 business days.

### **Assisting hardship customers**

We believe there should be closer harmonisation with Victorian energy regulations on the exemptions framework, and the inclusion of the following exemption in the final rule:

- The downward pricing adjustment in relation to Assisting Hardship customers.<sup>5</sup> We propose that once a customer exits a hardship program, if retailers are unable to contact them to obtain Explicit Informed Consent (EIC) to move them to the deemed better offer, we can return them to their previous tariff and market retail contract. To accommodate this, we would need to remove the restriction of one price increase each year.

Momentum appreciates the AEMC's ongoing engagement with the energy consumer reforms and its responsiveness to stakeholder feedback on improving consumer protections for small customers. We hope the AEMC considers our proposed modifications in its final decision to meet the needs of both consumers and retailers.

If you have any questions about this submission or would like to discuss it, please contact Daniel Oliver at [Daniel.oliver@momentum.com.au](mailto:Daniel.oliver@momentum.com.au).

Yours sincerely

[Signed]

**Daniel Oliver**

Strategic Delivery and Policy Lead

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<sup>4</sup> Queensland Treasury, National Energy Retail Law (Queensland) Regulation 2014, May 2025, pg. 24-28

<sup>5</sup> AEMC, [Assisting hardship customers, Draft rule determination](#), 27 March 2025