

6 May 2025

RRC0060 – Assisting hardship customers rule change
Australian Energy Market Commission
Submission made online at www.aemc.gov.au

Dear Sir/Madam

Subject: RRC0060 Draft Rule Determination – *National Energy Retail Amendment (Assisting hardship customers) Rule 2025*

SA Power Networks (SAPN) welcomes the opportunity to provide feedback on the AEMC's Draft Determination for the *Assisting hardship customers* rule change.

As South Australia's regulated energy distributor, serving 1.7 million South Australians, we play a critical role in the well-being of our community. SAPN believes all customers deserve affordable and equitable energy supply and is committed to advocating and supporting improvements that provide safeguards for all customers, and particularly those customers experiencing vulnerability.

We understand hardship customers (as termed in the Draft Rule Determination) often face many challenges engaging in the energy market and support the AEMC's draft determination to increase support and remove barriers. SAPN welcomes the opportunity to provide feedback on the proposed changes outlined in the *Draft Determination – National Energy Retail Amendment (Assisting hardship customers) Rule 2025*. This submission responds specifically to two of the proposed three changes outlined:

1. Introduction of a new principle
2. Enhance existing retailer obligations

1. Introduction of a new principle

As outlined in the *Draft rule determination, March 2025*, 'hardship customers face barriers to engaging with their retailer, such as lack of time, agency, literacy or language barriers', with these barriers preventing hardship customers from getting the best offer with their retailer.

This view is supported by customer feedback obtained through SAPN community engagement and through our Vulnerable Customer Advisory Group (VCAG), who advise this results in increasing overall energy debt for hardship customers who have limited means of paying down existing debt. This unfairly penalises customers experiencing vulnerable circumstances, reinforces the debt cycle through higher energy costs, and limits their ability to improve their financial circumstance.

SAPN supports the introduction of the new principle that places 'a direct and clear obligation on retailers to ensure hardship customers pay no more than the deemed better offer'. This principle will improve outcomes for customers by providing a much-needed safeguard, ensuring hardship customers will receive the best offers without the need to overcome identified barriers. Shifting onus from the customer to the retailer will ensure that all customers have access to better offers, benefit from lower energy costs and better manage their ongoing energy bills.

SAPN also views this as an opportunity to foster trust between customers and retailers. Proactive engagement that supports hardship customers, improves customer outcomes but can also boost loyalty and enhance the retailer's brand.

Whilst SAPN supports the introduction of the new principle, we defer the detail of compliance with the principle to other industry and consumer bodies who are better placed to make that assessment.

2. Enhance existing retailer obligations

SAPN supports the additional principle that enhances existing retailer obligations to hardship customers, particularly the 'ongoing and upfront' notification of potentially better offers. This strengthened requirement ensures that offers are reviewed initially when a customer joins the hardship program and then regularly thereafter, benefiting them from any better offers. As previously stated, the responsibility for proactive, ongoing reviews and engagement should rest with the retailer, ensuring the fairest outcome for customers.

We value the opportunity to make a submission to the AEMC's Draft Rule Determination – *National Energy Retail Amendment (Assisting hardship customers) Rule 2025* and support improving customer and community outcomes. Should you wish to discuss this submission, please contact SAPN's Policy and Advocacy Lead, Rebecca Carter at rebecca.carter@sapowernetworks.com.au or on 0417 480 984.

Yours sincerely



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