

# **AEMC** Draft Determination on Improving the application of concessions to bills

#### We are seeking feedback on a draft determination and draft rule to increase the number of eligible consumers who access energy concessions

On 3 July 2025, the Commission made a draft rule to improve customer awareness of electricity and gas concessions and rebates. We are seeking feedback on our draft rule, which would require retailers to, at the time a consumer signs up to an energy plan:

- 1. Ask consumers about their eligibility for concessions or rebates prompting consideration and voluntary disclosure.
- 2. Provide jurisdiction-specific information on concessions and rebates helping consumers understand what is available and how to access it.

This draft rule is in response to a rule change request from the Hon. Chris Bowen MP, Minister for Climate Change and Energy, as Chair of the Energy and Climate Change Ministerial Council (ECMC).

The rule change request also proposed an additional one-time contact obligation and change to existing technical communications procedures to enable concessions to transfer with a customer between retailers - however, stakeholder evidence and existing jurisdictional rules were such that the Commission considered these changes would not have net positive impacts for consumers.

We are seeking feedback on our draft determination and draft rule by 14 August 2025.1

### Our draft rule and recommendations seek to address barriers consumers face when accessing concessions

Stakeholders set out multiple and diverse barriers consumers face when accessing concessions, including:

- lack of awareness •
- communication challenges
- stigmas surrounding accessing help
- limited time to navigate application processes .
- verification issues. •

As concessions are jurisdictional programs, the Commission considered how best the rules could address these barriers, and where actions by other parties could better support equitable outcomes for vulnerable consumers. The more preferable draft rule will increase consumer awareness of available concessions at the time of sign up.

The rule change request originated from an AER recommendation to reduce or remove the requirement for consumers to provide their eligibility information to retailers, and instead for systems to allow for concessions and rebates to be applied automatically.<sup>2</sup>We support this and have recommended that the Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW) facilitate next steps towards the automatic application of concessions.

Our draft determination also identifies a series of other actions that could improve the application of concessions to bills, including:

Submissions can be made through the Commission's website, with the project reference code 1 RRC0063.

<sup>&</sup>lt;sup>2</sup> AER, Game changer, November 2023, pp 18-20

- Jurisdictions to work towards harmonising concession application requirements.
- AER to develop guidance for retailers on communicating with consumers about concessions, and update the Better Bills Guideline and Exempt Selling Guideline to increase information provision to consumers.
- Services Australia with the support of jurisdictions, to provide more detailed, jurisdictionspecific information about concessions to consumers when they receive new or updated concession cards.
- Retailers to streamline how consumer add concession details to their account.
- DCCEEW to facilitate the establishment of a cross-agency forum with Jurisdictions, Services Australia and retailers to collaboratively address other barriers to concession access, in particular verification challenges and other process barriers.

We are also asking for input on the development of a recommendation for how eligible consumers who are not the account holders in a household could best access concessions.

## The rule change request forms part of the broader ECMC consumer rule change package

The rule change request forms part of the broader ECMC consumer rule change package submitted on 12 and 28 August 2024. The package involves seven rule change requests that together seek to help households access cheaper energy deals, increase support for people experiencing hardship and deliver more protections for consumers.<sup>3</sup>

#### For information contact:

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<sup>&</sup>lt;sup>3</sup> The package of consumer-related rule change requests includes: <u>Ensuring energy plan benefits</u> <u>last the length of the contract</u>; <u>Preventing price increases for a fixed period under market retail</u> <u>contracts</u>; <u>Removing fees and charges</u> and <u>Removing unreasonable conditional discounts</u>, which have been consolidated into a single rule change called <u>Improving consumer confidence in retail</u> <u>energy plans</u> and published a final determination, along with the <u>Assisting hardship customers</u> rule change, on 19 June. The draft determination for <u>Improving the ability to switch to a better offer</u> was also published on 19 June.