

11 July 2025

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

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

**Reference: EPR0097**

Dear Ms Collyer

**RE: The pricing review: Electricity pricing for a consumer-driven future**

Momentum Energy Pty Ltd (**Momentum, our or we**) welcomes the opportunity to respond to the Discussion Paper for the Australian Energy Market Commission's (AEMC) The Pricing Review: Electricity Pricing for a Consumer-Driven Future.

We are an Australian 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.

As the National Electricity Market (NEM) continues to decarbonise, the way that consumers interact with the electricity market will also change. As this occurs, it is essential that pricing frameworks are examined and adapted in order to ensure they remain fit for purpose. We acknowledge the AEMC's efforts to examine these emerging issues through their self-initiated review and would like to express our support for several aspects of the Discussion Paper, while highlighting further issues for consideration.

**Momentum supports the AEMC's approach of enabling bookended products, however, believes greater regulatory focus should be given to the disengaged customer segment.** CER adoption is changing the way consumers engage with the network and Momentum agrees with the AEMC in that this provides opportunities for better consumer offerings for this future-focused, highly engaged cohort. However, it is Momentum's view that regulatory focus must strike a balance between removing barriers for new and innovative retail offerings for engaged customers whilst not disadvantaging vulnerable and/or disengaged customers. It is to this latter cohort that we believe the greatest regulatory focus should be given. Whilst innovation for engaged customers will occur naturally in a competitive market, support for disengaged customers requires specific pricing structures and settings. It is essential that these pricing frameworks are adequately defined and implemented so that no consumers are "left behind" throughout the transition.

It is essential that network tariffs are simple, cost reflective and easy for retailers to implement. **It is Momentum's view that better integration between network and retailer tariffs could lead to**

**lower overall costs for consumers.** Currently, the pricing signals used by DNSPs in their tariff structures are highly varied. This variation and inconsistency makes it challenging for retailers to develop and maintain billing and quoting systems and ensure compliance with various regulatory requirements across tariffs. This has ultimately resulted in complexity, customer confusion, and higher costs to serve customers. **Whilst Momentum recognises the need for work in this space, it is our view that implementing consistency between retail and network tariffs would better support consumer outcomes that the AEMC's proposal for retailers to take on the responsibility of managing network pricing risk.** Currently, there is no mechanism for retailers to hedge the risks associated with managing network tariff pricing. Passing this risk on to retailers without a mechanism to manage it appropriately will increase retailer costs, ultimately leading to increased consumer costs. However, requiring consistent, simple and cost-reflective tariffs to be implemented across both retail and network operators would reduce operational complexity and help lower costs to consumers.

Currently, there are numerous reviews ongoing to address consumer frameworks in the NEM. These include, but are not limited to, changes to the consumer protection regime<sup>1</sup>, payment difficulty frameworks<sup>2</sup>, smart meter deployment<sup>3</sup>, and consumer access to real-time meter data<sup>4</sup>. Whilst we support the AEMC's efforts to ensure consumer frameworks remains fit for purpose in a consumer-driven future, **it is critical that any changes are made iteratively and holistically with other ongoing market reforms.** Specifically, consideration must be given to the implementation timing of changes resulting from this and other reforms. Implementing changes iteratively, and with clear timeframes, will ensure market disruption is minimised, and that consumers and retailers have adequate time to adapt. This is critical in light of the potential of moving from prescriptive to principles-based regulation, as seen in the Commonwealth Department of Climate Change, Energy and the Environment and Water's (DCCEEW) Better Energy Customer Experiences review.

Momentum looks forward to continuing to engage with the AEMC throughout the consultation process. If you wish to discuss any of the above in more detail, please contact Soumya Das at [soumya.das@momentum.com.au](mailto:soumya.das@momentum.com.au).

Yours sincerely



**Soumya Das**

Head of Retail Strategy and Insights

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<sup>1</sup> Commonwealth Department of Climate Change, Energy and the Environment and Water (DCCEEW) Better Energy Consumer Experiences: <https://consult.dcceew.gov.au/better-energy-customer-experiences>.

<sup>2</sup> Australian Energy Regulator's (AER) Review of payment difficulty protections in the National Energy Customer Framework: <https://www.aer.gov.au/industry/registers/resources/reviews/review-payment-difficulty-protections-national-energy-customer-framework>

<sup>3</sup> AEMC's Accelerating Smart Meter Deployment rule change: <https://www.aemc.gov.au/rule-changes/accelerating-smart-meter-deployment>

<sup>4</sup> AEMC's Real-time Data for Consumer consultation: <https://www.aemc.gov.au/rule-changes/real-time-data-consumers>