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Thursday, 4 September 2025

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

Dear Ms Collyer,

Re: Improving life support processes – Consultation paper

The Australian Energy Regulator (AER) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) consultation paper on National Energy Retail Amendment (Improving life support processes) Rule 2025.

Life support obligations in the National Energy Customer Framework are a crucial consumer protection. Ensuring compliance with these obligations is an enduring [Compliance and Enforcement Priority](#) for the AER. We are pleased to see the collaborative approach taken by the rule change proponents in developing their proposal, including close engagement with experts by experience through the #BetterTogether Life Support Customer initiative and lived experience panel.

In July 2025, we [wrote to industry](#) to inform them of a recent enforcement outcome concerning contraventions of life support obligations and to outline our ongoing compliance expectations of retailers and distributors. We also encouraged businesses to ensure their staff understand the serious consequences that failures to appropriately apply life support protections can have for the safety and wellbeing of their customers.

We note that the Essential Services Commission of Victoria (ESCV) is [considering a similar reform](#). Regulatory harmonisation would support customer awareness through greater consistency and reduce costs for energy businesses operating across frameworks.

There are benefits to better targeting life support customers and ensuring life support registers are up to date

We acknowledge the benefits of proposed changes to better reflect the broad range of medical equipment that requires a supply of energy, including by:

- updating definitions and medical confirmation processes to distinguish between critical and assistive life support equipment, which would enable businesses to better target life support customers and better support those customers who are most at risk of harm

- allowing customers with permanent conditions to be registered permanently, reducing the administrative burden for both customers and energy businesses.

We also acknowledge the importance of ensuring that life support registers are up to date and support updating and clarifying registration and deregistration processes to achieve this.

We support changes to ensure life support users are better informed and prepared

We support changes that will ensure life support customers are better informed and prepared for outages, including by:

- allowing customers to nominate a second person to be contacted about outages, which is particularly important where a carer may need to be notified
- asking customers to provide a phone number and email address for both the customer and the nominated contact person
- requiring retailers and distributors to update life support registers when a customer notifies them of changes to these details
- requiring medical practitioners to advise customers and life support users of the protections they are entitled to, discuss and document a backup plan for power interruptions, and discuss available rebates and concessions.

However, we recognise there may be implementation challenges associated with some of these changes, which are outside our area of expertise (particularly where they rely on medical practitioners). For example, it may be difficult for a medical practitioner to provide information about specific rebates and concessions. The effectiveness of these proposed changes will depend on whether these implementation challenges can be overcome.

We also note the rule change proposal suggests clarifying that retailers and distributors can collect and use electronic communication channels to provide written notifications of planned outages where a mobile number and/or email address is available. It may be more appropriate to require planned outage notifications to be provided in a customer's preferred communication channel where known (similar to existing obligations for customers affected by family violence). This would better ensure customers are informed of and prepared for planned outages.

Planned outage notification obligations for assistive life support customers should be Tier 1 civil penalty provisions

The consultation paper seeks feedback on proposed changes to:

- reduce the penalty for breaches of planned outage notifications for assistive life support customers to a Tier 2 civil penalty provision, while retaining a Tier 1 civil penalty for breaches of planned outage notifications for critical life support customers
- reduce the penalty for breaches of the requirement to deregister premises following a request by the life support customer or where medical confirmation is not provided to a Tier 2 civil penalty

We understand that the intention of these proposed changes to civil penalty provisions is to align the civil penalties with the potential or actual harm caused, including by recognising the greater risk of harm for customers who rely on critical life support equipment. Based on the proposed definitions of critical and assistive life support equipment, equipment that customers rely on to prevent harm or for comfort (but not death or lifelong irreversible injury) will be classified as assistive life support equipment. We consider that breaches of planned outage notification obligations for these customers align more closely with Tier 1 consumer harm under the [civil penalty provisions decision matrix agreed by Energy Ministers](#). We also note that planned outage notification obligations for customers who do not rely on life

support equipment are Tier 1 civil penalty provisions. A lower civil penalty for similar obligations related to any life support customer would be inconsistent.

Therefore, we do not support the recommendation to reduce the civil penalty for breaches of the planned outage notifications for customers who rely on assistive life support equipment to a Tier 2 civil penalty provision. We note that breaches of Tier 1 and Tier 2 civil penalty provisions attract the same infringement penalty. Differentiating civil penalties for provisions applying to assistive and critical life support customers will only impact civil penalties sought through enforcement action in the courts.

We do support the proposal that breaches of the requirement to deregister premises following a request by the life support customer, or where medical confirmation is not provided, be reduced to a Tier 2 provision (noting that all other deregistration provisions will remain as Tier 1 provisions).

We recommend amended drafting to enable more appropriate reporting requirements in the short term, with the option to consider reporting requirements further when we next review our Compliance Procedures and Guidelines

The rule change proposal suggests including breaches of planned outage notifications for customers who rely on assistive life support equipment in half-yearly reporting to the AER.

Compliance reporting requirements are set out in the AER's [Compliance Procedures and Guidelines](#). Version 7 of these guidelines came into effect on 1 April 2025. Currently, retailers must immediately report to the AER any breaches of rules 124(1), 124(3), 124(6), 124A, 124B(1), 125(1), 125(2), 125(4) and 125(6) of the National Energy Retail Rules (Retail Rules). Any new obligations in the above rules and subrules would automatically be captured by the immediate breach reporting framework. For example, under the current drafting, breaches of proposed new rule 124B(1)(e) relating to planned outage notifications for customers with assistive life support equipment would be captured by the existing immediate reporting requirement, as it would form part of subrule 124B(1).

With the current proposed drafting, we would need to update our Compliance Procedures and Guidelines to make this assistive life support equipment obligation reportable half-yearly instead. Updating the Compliance Procedures and Guidelines is a resource-intensive process. We must follow the retail consultation procedure set out in rule 173 of the Retail Rules when making and updating the guidelines. We most recently updated the guidelines in 2024. We instead suggest that the AEMC include the planned outage notifications for customers with assistive life support as a standalone subrule (rather than as part of subrule 124B(1)), so that it is not captured by the immediate breach reporting framework.

Under the Compliance Procedures and Guidelines, a breach of a civil penalty provision that does not require immediate reporting is captured by the material breach reporting framework. Any new obligations that are a civil penalty provision and do not require immediate reporting are also captured in the material breach reporting framework. For breaches of these provisions, a retailer must assess whether the breach is material and, if so, report the breach to the AER as soon as reasonably practicable after the breach has been identified. Accordingly, any new life support obligations that are a civil penalty provision and do not require immediate reporting will be reported to the AER where the breach is determined to be material by the retailer. This will provide the AER visibility of material life support breaches that are self-reported and may be a sufficient approach to breach reporting for the new rule until we next review the guidelines.

We could consult on whether to require breaches of these provisions be reported half-yearly next time we review the Compliance Procedures and Guidelines. We could also consider whether a review of the guidelines may be warranted if we receive information about systemic breaches through ombudsman reports or compliance activities.

We request flexibility to determine the most appropriate process for developing any standardised templates

We acknowledge the potential benefits of a consistent medical confirmation form for life support equipment, as well as a household life support equipment backup plan template. We note that requiring the AER to develop a medical confirmation form will have resourcing implications for us, particularly given we do not have important medical expertise or resources that may be required to develop such a template. We ask the AEMC to allow us sufficient flexibility to develop the template using the process we consider most appropriate.

We understand that the ESCV is considering the publication of a standard medical confirmation form template for use by all energy businesses. We recognise that consistency across frameworks would have benefits for the sector and for consumers. We will engage closely with the ESCV as they consult on their template and consider its utility across the NECF.

The rule change proposal will have broader resourcing implications for the AER

The rule change proposal would require updates to the AER's non-enforceable [Life support registration guide 2021](#) and [consumer-facing fact sheet](#) available on our website. This guidance assists retailers, distributors and customers to understand protections and responsibilities related to life support equipment in the Retail Rules. The guidance covers registration, deregistration, information sharing between retailers and distributors and maintaining a register of life support requirements. Updating this guidance will have resourcing implications for the AER.

We also note that changes to life support obligations and the introduction of new life support obligations may result in increased immediate and material breach self-reports, particularly initially. This will have a resourcing impact on our Compliance and Enforcement area, which will need to assess self-reported breaches and consider whether any further action should be taken.

We ask the AEMC to consider the impact of the rule change on AER resources, particularly when making recommendations to develop any guidance or materials.

We look forward to continuing our engagement with AEMC staff on this proposed rule change. While we will focus our feedback in this process on issues directly affecting the AER's role and functions, we encourage the AEMC to carefully consider how to mitigate the risk of unintended consequences and potential consumer harm resulting from changes to these important protections.

Thank you again for the opportunity to provide feedback on this consultation paper. If you would like to discuss any of the feedback in this submission further, please contact ConsumerPolicy@aer.gov.au.

Yours sincerely,



Sara Stark
Acting General Manager, Policy
Consumers, Policy & Markets

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