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Submitted Online

Draft Rule Determination – Improving the application of concessions to bills

Alinta Energy welcomes the opportunity to provide comment on the *Draft Determination on Improving the application of concessions to bills*

Alinta Energy, as an active investor in energy markets across Australia with an owned and contracted generation portfolio of nearly 3,000MW and more than 1.1 million electricity and gas customers has a strong interest in opportunities to improve consumer experiences, and access to support schemes like those provided to eligible customers through energy concession schemes.

As previously noted, retailers and customers share a strong interest in ensuring all eligible customers can access concessions and rebates. When customers receive the support they are entitled to, their energy costs are lower and they're less likely to face payment difficulties. This directly reduces bad debt risk for retailers and helps keep overall costs down for all energy customers.

The proposed rule change aims to increase awareness of available concessions by placing more responsibility on retailers. However, there is a strong opportunity for governments and agencies, including the energy regulator, to run independent campaigns targeting eligible customers. These campaigns could more effectively raise and sustain awareness of energy concessions. As it stands, the draft rule's narrow focus risks failing to meaningfully improve awareness or access to these schemes.

Our detailed comments are provided in the following, should you have any questions or wish to discuss any aspect of our submission please contact Shaun Ruddy Manager National Retail Regulation (02) 9372-2653 or via email:

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Yours Sincerely

Graeme Hamilton

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Draft Rule Determination – Improving the application of concessions

Jurisdictional Harmonisation and Simplification

Harmonising energy concessions across jurisdictions is critical to improving access. Without nationally consistent and streamlined schemes, efforts to enhance concession uptake will continue to fall short. Making concessions easier to understand and apply for is not optional; it is a critical reform.

Customers should face a simple, uniform process when accessing concessions, regardless of where they live. Anything less entrenches confusion, delays, and inequity.

In this context, the NSW Department of Climate Change, Energy, the Environment and Water has taken a partial step in the right direction. From 1 July 2026, six existing rebate programs will be replaced by three simplified rebates, to be delivered directly by energy retailers.

Jurisdictional harmonisation must be a core priority of energy concession reform, and significantly more work is needed to achieve it. The relevance of this issue is clear in the draft rule determination, which proposes that retailers provide information on all applicable concessions and rebates within a customer's jurisdiction.

This change is necessary precisely because of the fragmented and inconsistent approach to energy concessions across jurisdictions. The current divergence creates confusion and undermines access to energy concessions. Harmonisation is not just important, it's a priority.

Drafted Recommendations for additional actions

Draft recommendation 1: Primary recommendation: DCCEEW should facilitate next steps across governments to automate concessions

The Commission strongly supports the AER's call for a system that would remove the onus on customers to ensure concessions are applied to their bills and recommends that DCCEEW bring the relevant parties together through an appropriate forum to progress this recommendation.

While supportive of efforts to automate the application of energy concessions, it is important to recognise the complexities such processes can entail. A critical first step in enabling automation is to harmonise and simplify the range of concessions available. For this reason, draft recommendation 2 should be treated as a priority.

Draft recommendation 2: Jurisdictions should harmonise concession schemes

Harmonising eligibility rules and application processes for concession schemes would

reduce barriers for consumers to access concessions and regulatory burden and contribute to the development of an automated system. We note first steps on this work could also be facilitated by DCCEEW through the cross-jurisdictional ETEWG consumer protections sub-working group.

Harmonisation of jurisdictional energy concessions is not something that will simply contribute to the development of an automated concessions system, it is a fundamental key cornerstone to achieving automation. The highest priority should be placed on this activity.

Draft recommendation 3: The AER should develop guidance, amend the Better Bills Guideline and consider updating the Exempt Selling Guideline

The AER should develop guidance for retailers on how best to inform customers about the availability of concessions and rebates and ask them about their eligibility.

Such guidance should also include a recommendation that retailers inform customers at the point of sign up that any concession will not automatically transfer from the previous retailer. We also recommend the AER consider amending the Better Bills Guideline to require retailers to include information on the first and final bills that concessions do not automatically transfer.

We also recommend the AER apply the rule changes to relevant exempt sellers by updating the Retail Exempt Selling Guideline.

As Alinta has stated in previous rule change submissions, the AER is responsible for monitoring, investigating, and enforcing compliance with the National Energy Retail Law, Rules and Regulations (NERL s.204), it is the AEMC that holds the formal rule-making power under the NERL (s.238). This separation of functions is also reflected in the Australian Energy Market Agreement. To support consistent and accountable rule-making and uphold the structure and intent of the regulatory framework, it is critical that each body remains focused on its legislated role.

However, once again, the AEMC delegates the design of key obligations to the AER's Better Bills Guideline, undermining the rigour and transparency of the rule change process.

Retailers are left with uncertainty about the final form of the obligation, making it almost impossible to provide a meaningful response to the draft determination.

It also sets a concerning precedent for detailed regulatory requirements to be developed outside the formal rule-making framework.

Draft recommendation 4: Services Australia should provide more detailed information on rebates and concessions

The Commission recommends that Services Australia provide information directly to consumers about what rebates they become eligible for when they receive new or renewed concession cards. We note that this would benefit from the support of jurisdictions.

Any agency responsible for administering rebates and concessions should also be responsible for informing customers about their entitlements as they become eligible. When a customer receives a new or renewed concession card, it is a key opportunity for the agency to clearly communicate all available support linked to that card.

Draft recommendation 5: Jurisdictions should increase information provision

Jurisdictions should work with the agencies who communicate with eligible consumers to determine how they could contact those consumers to raise awareness of their eligibility.

While we support collaboration between jurisdictions and agencies that engage directly with eligible consumers to raise awareness of concession entitlements, these efforts would be significantly strengthened by harmonising concessions across jurisdictions. A nationally consistent framework would simplify application processes, improve transparency, and enable clear, consistent education campaigns; helping concession card holders better understand and access the support available to them.

Draft recommendation 6: Jurisdictions, Services Australia and retailers should establish a cross-agency forum

The relevant parties should come together to discuss, and where possible, resolve issues. This could be initially facilitated by DCCEEW through the ETEWG consumer protections sub-working group.

The priority issue should be instituting a process to solve verification issues. Other topics to discuss include:

- *verification of renewed cards*
- *Services Australia's explicit informed consent requirements, including for dual fuel*
- *flexibility for changes in address*
- *ongoing verification for permanent concessions*

Any cross-agency effort would be far more effective if concession schemes were first harmonised across jurisdictions.

Draft recommendation 7: Retailers should make it easy for customers to add concessions details

The Commission recommends retailers consider how they can lower barriers for customers to add eligibility details to their account during the life of their contract.

Retailers design their processes according to the specific concession schemes, rules, and obligations in place and can only make changes in collaboration with scheme administrators. For example, in NSW, retailers must comply with the NSW Social Programs for Energy Code.

Therefore, to achieve the goals of recommendation 7, the responsibility for simplifying processes must also fall on scheme administrators. This underscores the critical need for jurisdictional harmonisation of concession schemes and application processes to deliver better outcomes for customers.

Draft recommendation 8: Resolving household eligibility challenges

We request stakeholder input on the following draft recommendations and associated questions:

- 1. Jurisdictions should allow eligible consumers to access concessions on the electricity bill for their primary residence.*
- 2. The AER should develop guidance for retailers on:*
 - a) Improving their systems so they can apply concessions where the account holder is not the eligible party (and it is allowed by jurisdictions)*
 - b) Communicating with customers who are the account holder but are not the eligible party.*

We agree that customers should be able to access electricity bill concessions for their primary place of residence. However, while eligibility requirements typically require the concession card holder to also be the account holder for that address, there are valid scenarios where this may not be the case.

The AER guidance proposed under point 2 should not be pursued until foundational reforms, particularly the harmonisation of concession schemes across jurisdictions, have been implemented. Furthermore, as retailers are required to administer concessions in line with jurisdiction-specific agency agreements, the AER is not best placed to provide guidance on these aspects. It does not have jurisdiction over, or detailed working knowledge of, these agreements.

We also request stakeholder input on the following questions:

- 1. Do stakeholders have specific examples of when and why retailers were not able to apply a concession to a household bill, despite it being allowed by the jurisdiction?*
- 2. What aspects should jurisdictions take into account if they adopt this recommendation, including any specific protections or exclusions?*
- 3. What are key considerations for the AER if they are to develop guidance on these issues?*

Retailers will apply concessions to customers where those customers meet the eligibility criteria set out under the relevant scheme agreement.

The AEMC should review each of the scheme agreements in detail to identify scenarios where the application of a concession would be prohibited. It is in these instances where concessions would not be applied.

For example (in summary):

Eligibility for the NSW low-income household rebate requires that:

To be an eligible customer for the Low-Income Household Rebate or the NSW Gas Rebate a person must be—

- 1. a residential customer in NSW of a seller for electricity or gas;*
- 2. a person whose name appears on the account for supply to his or her principal place of residence; and*
- 3. a holder of a Commonwealth Health Care Card, a Pensioner Concession Card or a Veteran Gold Card.*

Under this eligibility criteria, an elderly parent who holds a concession card would be ineligible for a rebate if their son or daughter, who manages the household's energy account, is listed as the account holder.

This is a practical and common scenario, as adult children often take responsibility for managing the financial and other affairs of their ageing parents.