



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

14 August 2025

To Ms Collyer,

Improving the application of concessions to bills – Draft determination

ENGIE Australia & New Zealand (ENGIE) appreciates the opportunity to respond to the Australian Energy Market Commission's (the Commission) draft determination on a rule change to improve the application of concessions to bills.

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet which includes renewables, gas-powered generation, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

ENGIE supports concession frameworks and welcomes evidence-based reforms that would increase consumers' uptake of their concession entitlements. The application of concessions on energy bills is in the best interests of both consumers and retailers. Consumers experience lower energy bills and retailers benefit from improved payment reliability and reduced credit risk. The mutually beneficial nature of concessions frameworks is evidenced by the draft determination not identifying any systemic issues with retailers' current processes, which involves retailers proactively asking consumers about their eligibility for concessions or rebates and supporting consumers through application processes.¹

ENGIE is pleased the Commission has recommended the Department of Climate Change, Energy, the Environment and Water (Department) facilitate work with State Governments and Services Australia on next steps for meaningful long-term reforms to the application of concessions, such as through enhanced automation. As noted in ENGIE's submission to the consultation paper, significant reforms to concession frameworks are required to address the barriers to universal concession uptake, which are largely due to

¹ Australian Energy Market Commission 2025, Improving the application of concessions to bills: Draft rule determination, 3 July, p.2

the current requirement for consumers to manually provide their concession details to their retailer or the relevant State Government Department.²

Although the Commission has attempted to minimise the implementation costs of its proposed short-term reforms, ENGIE does not support additional regulatory burden being introduced where there is no clear evidence of market failure. As the proposed rule change amendments are unlikely to have a material impact on the proportion of consumers receiving their energy concession entitlements, ENGIE recommends the Commission does not introduce a rule change at this time and instead focuses on developing actions that progress meaningful long-term reforms.

While not a necessary reform, asking consumers about concession eligibility at sign-up is not costly

As noted above, retailers are already sufficiently incentivised to ensure all their customers receive their concession entitlements and retailers currently have processes to proactively ask consumers about their eligibility for concessions or rebates. While this means the draft rule would not impose significant implementation costs on retailers, the lack of a systemic issue suggests reform is not required at this time.

However, the introduction of a new rule will not be costless and will result in some upfront and ongoing administrative costs for retailers to ensure they have auditable processes to demonstrate compliance with the new rule, without any corresponding uplift in consumer take-up of concession entitlements.

Providing jurisdictional-specific information may not incrementally improve concession uptake

While receiving jurisdictional-specific information about concessions and rebates may help some consumers better understand their specific concession entitlements, the draft determination does not demonstrate there is a systemic issue with consumers not applying for concessions due to not understanding the specific suite of concessions and rebates available from their State Government.

Before progressing this reform, ENGIE considers the Commission should further investigate whether the reform would notably improve consumers' uptake of concessions beyond what may be achieved under the broader requirement for retailers to ask consumers about concession eligibility at sign-up.

ENGIE notes this reform would have higher implementation costs for retailers than the draft rule to ask consumers about concession eligibility at sign-up. Jurisdictional-specific variations in prescribed scripting and processes will necessarily increase the upfront and ongoing costs of compliance for retailers. There may also be a risk of information overload for consumers, due to the number of different concessions and rebates available in some jurisdictions.

If the Commission does intend to progress a rule change at this time, ENGIE's view is that the rule should solely require retailers to ask consumers about concession eligibility at sign-up. That new rule would have

² ENGIE 2025, Submission – Improving the application of concessions to bills – consultation paper, 6 March, p. 2

the lowest implementation costs and the largest incremental benefit in terms of consumer take-up of concessions, to the extent there are any retailers that are not already proactively helping their customers access concession entitlements.

ENGIE supports systemic improvements in concession frameworks

ENGIE supports the Commission recommending the progression of long-term, meaningful reform that can deliver tangible benefits to consumers by reducing barriers to universal concession uptake. ENGIE has previously supported the Australian Government implementing the Australian Energy Regulator's (AER) proposal for centralised access to concession eligibility data that could enable consumers to switch retailers and retain their concessions.

While ENGIE is supportive of each of the Commission's draft recommendations for further action on concessions, ENGIE does have some feedback on draft recommendation 3 that asks the AER to develop guidance and implement new requirements through the Better Bills Guideline.

In relation to communications with customers, ENGIE considers the current divergence in state-based concession requirements means any guidance should be developed by the relevant State Government Department rather than the AER. The AER is not directly involved or responsible for the delivery of jurisdictional-based concession programs, while State Governments are responsible for setting and amending the relevant concession guidelines and rules.

In relation to a potential recommendation for bills to include a statement that concessions do not automatically transfer, ENGIE is concerned there may be significant complication in creating and managing variable information that displays on specific bills. As there is not currently any evidence or stakeholder feedback that this specific change would materially improve consumer uptake of concessions when they transfer retailers, ENGIE would prefer the Commission to not recommend a specific reform option to the AER. Instead, the Commission could broadly recommend the AER investigate options to improve consumer awareness of concession entitlements through its upcoming Better Bills Guideline review.

Any guidance on eligibility rules for households should be developed by State Government Departments

While ENGIE agrees with the Commission that household eligibility is a barrier to universal concession uptake, this is a jurisdictional-specific design issue and is sufficiently captured by draft recommendation 2, which relates to jurisdictions harmonising concession schemes.

ENGIE does not consider it would be appropriate or useful for the AER to develop guidance on applying concessions for a non-account holder. To the extent any guidance is required, this is more appropriately prepared by the relevant State Government Department that sets and administers the concession framework design. For energy retailers, ensuring that any guidance originates from the entity that manages decisions on concession reimbursement would ensure there is no misalignment in concession framework

interpretation and risk of retailers not being reimbursed when applying energy concessions on customer bills.

Concluding remarks

Should you have any queries in relation to this submission please do not hesitate to contact me on, telephone, 0436 929 403.

Yours sincerely,

A handwritten signature in black ink that reads "Matthew Giampiccolo". The script is cursive and fluid.

Matthew Giampiccolo

Manager, Regulation and Policy