

# Streamlining payment difficulty protections

## We are seeking feedback on a draft rule to streamline protections for consumers experiencing payment difficulties

The Commission has made a more preferable draft retail rule (draft rule) in response to four rule change requests submitted by the Australian Energy Regulator (AER) on 19 December 2025. We are seeking feedback on the draft determination and draft rule by **30 July 2026**.

The four rule change requests<sup>1</sup> being progressed together in this streamlining payment difficulty protections draft determination are:

- [Clarifying disconnection protections](#)
- [Simplifying the eligibility framework for payment difficulty protections](#)
- [Improving payment assistance information](#)
- [Strengthening minimum disconnection protections](#)

These form part of a package of five rule changes submitted by the AER on 19 December 2025 that seek changes to the National Energy Retail Rules (NERR) to improve and enhance existing requirements so customers experiencing payment difficulty are engaged early, and effectively supported with assistance that is tailored to their individual circumstances.

The remaining fifth rule change *Strengthening standards for payment difficulty assistance*, is being progressed through the standard rule making process. A consultation paper for this rule change was published on 18 June 2026 and can be found [here](#).

The Commission's draft rule recognises it is critical that consumers are aware of available assistance, and the frameworks for delivering this support are clear and streamlined.

In summary, the proposed changes seek to:

- clarify when de-energisation (disconnection) is officially requested by a retailer
- require retailer engagement through at least two channels of communication for customers at risk of disconnection
- ensure the minimum disconnection amount applies, regardless of whether customers have agreed to repay outstanding debts, to address the inconsistent customer experiences
- address inconsistent wording between the Retail Law and Retail Rules, to ensure customers receive payment assistance regardless of whether they self-identify or are identified by their retailer
- require retailers to provide more accessible assistance information on websites and reminder and disconnection warning notices so that customers can access, understand and act on it.

## The draft rule ensures disconnection requirements reflect current retailer practice and the intent of the rules (Theme 1)

The draft rule clarifies that a retailer is taken to have arranged de-energisation (disconnection) of a customer's premises at the time it makes a request for de-energisation to the distributor. The Commission considers this clarity builds upon the principle of disconnection as a last resort and aims to assist the AER in determining whether a retailer has met its last resort obligation, including the minimum disconnection

<sup>1</sup> The Commission has decided to fast track four of the requests on the basis that the rule changes were developed through extensive consultation by a market body (The AER). The requests have also been consolidated into a single rule change request.

protections set out in the NERR. The Commission is interested in stakeholders' views on whether the proposed drafting sufficiently captures scenarios for remote de-energisation, noting there are other provisions that capture remote de-energisation and the parties involved.

The draft rule also requires retailers to contact customers at risk of disconnection through at least two channels. Where a customer acknowledges receipt of the first communication attempt, the retailer would not be required to follow up with an additional method of contact. The aim is to enable retailers to contact customers in a way that suits the customer's needs and preferences. The Commission considers this would ensure engagement is more thorough at a critical time for those experiencing payment difficulties, whilst also allowing retailers to engage with customers in a more flexible way that meets their customers' needs.

The Commission has also adopted the AER's proposal for the minimum disconnection amount to apply to all customers and not just those who have explicitly agreed to repay their debt. The Commission considers this recognises the original intent of the minimum disconnection amount, a baseline payment difficulty protection for all consumers.

### **The draft rule seeks to improve the delivery of assistance to customers experiencing payment difficulties (Theme 2)**

The draft rule adopts the AER's proposal to streamline the payment difficulty assistance eligibility categories. Under the draft rule:

- Customers would receive the same assistance items under the NERR regardless of whether they self-identify or are identified by their retailer as experiencing payment difficulties. The Commission considers this would also ensure there is a consistent application of payment difficulty assistance and support the broader definitions of payment difficulty sought by the AER through the Energy and Climate Change Ministerial Council (ECMC).<sup>2</sup>
- Retailers would be required to provide information about available payment difficulty assistance, a summary of the hardship policy information and about concessions on their website. They would also need to include information on payment difficulty assistance, access to hardship policies, and available government rebates and concessions on reminder and disconnection warning notices. This information would need to be easily accessible and easy to understand.

The draft rule builds upon the aim of improving the delivery of assistance to customers experiencing payment difficulties by providing information at a crucial time when those facing payment difficulties may need it most, while promoting transparency of payment assistance available.

### **The draft rule has been shaped by the AER's review of payment difficulty protections in the NECF**

The five rule change requests stem from the AER's [Review of payment difficulty protections in the National Energy Customer Framework](#) (NECF). The AER final report was published 15 May 2025 and was presented to ECMC, outlining the 13 identified opportunities for reform.<sup>3</sup>

We note the ECMC is considering under the Better Energy Customer Experiences work program, the broader reforms recommended in the AER's final report including the proposal for a single, consistent definition for customers experiencing payment difficulty.<sup>4</sup>

#### **For information contact:**

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<sup>2</sup> Department of Climate Change, Energy, the Environment and Water, Better Energy Customer Experiences, <https://consult.dcceew.gov.au/better-energy-customer-experiences> .

<sup>3</sup> AER, Review of payment difficulty protections in the National Energy Customer Framework, [Findings Report](#) , 15 May 2025.

<sup>4</sup> ECMC, [Meeting Communiqué](#) , 16 December 2025.