ActewAGL

Ms Anna Collyer
Chair
Australian Energy Market Commission
60 Castlereagh St
Sydney New South Wales 2000

30 July 2026

Dear Ms Collyer

# Draft rule determination - Streamlining payment difficulty protections (RRC0075)

ActewAGL welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) draft determination and draft rule on Streamlining payment difficulty protections (RRC0075), published on 18 June 2026. ActewAGL is an energy retailer servicing the Canberra region and surrounding areas of south-east New South Wales, including Queanbeyan, Goulburn, the Snowy Mountains, Nowra and the South Coast.

ActewAGL supports the AEMC's intent to strengthen disconnection protections and improve the clarity, accessibility and consistency of payment difficulty assistance information. ActewAGL applies the principle of disconnection being used as a last resort and supports measures that reinforce this approach in practice. ActewAGL also supports customers experiencing payment difficulty being able to access assistance regardless of whether they self-identify or are identified by their retailer.

ActewAGL considers that several elements of the draft rule require further clarification to support practical and consistent implementation. Of the changes proposed, the provisions in relation to retailer identification of customers experiencing payment difficulty and the timing of when a retailer is taken to have arranged de-energisation warrant further clarification. Ambiguity in these provisions could result in customers being incorrectly identified as experiencing payment difficulty and inconsistent assessment of retailer compliance.

The proposed commencement date of 30 March 2027 appears reasonable for the website and notice changes. However, implementation of the retailer-identification requirements will depend on timely clarity about the meaning of payment difficulty and the indicators retailers are expected to apply. If the definition or associated identification criteria are settled close to commencement, retailers may have insufficient time to translate them into business rules and implement the necessary system, process and training changes. ActewAGL therefore recommends that the AEMC clarify the expected timing of the Energy and Climate Change Ministerial Council (ECMC) process and provide an appropriate transitional period if the definition and identification criteria are not settled sufficiently in advance of commencement.

Our comments below address these and the other elements of the draft rule.

## 1. Identifying customers experiencing payment difficulty

The draft rule extends payment difficulty assistance to customers identified by their retailer, not only those who self-identify (rules 33(1)(b) and 111(2)). ActewAGL supports this alignment of the National Energy Retail Rules (NERR) with the National Energy Retail Law (NERL) in principle.

However, the proposed amendments create a sequencing issue. Neither the NERR nor the NERL currently defines "payment difficulty" or establishes criteria for when a retailer should identify a customer as experiencing payment difficulty. The Australian Energy Regulator's (AER) review of payment difficulty protections under the National Energy Customer Framework recommended introducing a single, consistent definition.[1] As this would require an amendment to the NERL, it is being considered separately by the ECMC and falls outside the scope of this rule change.

The draft rule would therefore expand retailers' obligations before the definition of payment difficulty and the criteria have been developed. ActewAGL considers this creates uncertainty about how retailers should apply the new provisions consistently. It may also require retailers to develop identification processes for this rule change that must later be revisited once the ECMC process establishes a definition of payment difficulty.

Under the current framework, offering assistance to a customer who self-identifies as experiencing payment difficulty is straightforward. The uncertainty arises where a customer does not self-identify or otherwise engage with the retailer. In those circumstances, there is limited guidance on the information or payment behaviour that should cause a retailer to identify the customer as experiencing payment difficulty.

Care is needed to ensure that the identification criteria distinguish customers experiencing payment difficulty from customers whose account shows an overdue or debit balance for other reasons. The existence or amount of debt at a particular point in time is not, on its own, a sufficient or reliable indicator of payment difficulty. Identification should instead be based on a combination of relevant factors considered over time, such as a sustained pattern of missed payments, repeated failed direct debits or increasing overdue debt, taking account of the customer's usage, billing history and agreed payment arrangements.

Section 4.1 of the draft determination describes the AER's proposal as extending eligibility to customers identified by their retailer as having "repeated payment difficulties" or requiring payment assistance. This distinction should be maintained, as a single missed or late payment should not result in a customer being identified as experiencing payment difficulty. For example, a customer may have inadvertently overlooked a bill or may routinely pay shortly after the due date to align payments with their budgeting cycle. In ActewAGL's experience, an overdue amount may also reflect a customer's temporary choice to prioritise other expenditure despite having the capacity to pay, rather than an inability to pay. Additionally, an account balance may continue to accrue because the customer has vacated the premises and did not

[1] AEMC, Streamlining payment difficulty protections, Draft rule determination, 18 June 2026, p ii.

close the account, passed away or otherwise ceased engaging for reasons unrelated to payment difficulty. Automatically treating this behaviour as payment difficulty could result in customers being incorrectly classified, encourage customers with the capacity to pay to defer payment, and divert assistance resources away from customers who genuinely require support.

A customer's account balance may also fluctuate as part of an agreed periodic payment arrangement, such as EvenPay.[2] Under such an arrangement, the customer pays a regular smoothed amount based on estimated annual energy costs, with the payment amount periodically reviewed and adjusted having regard to actual usage and the account balance. Consequently, the customer may carry a debit balance during higher usage periods and a credit balance during lower usage periods without experiencing payment difficulty. A temporary debit balance should not, on its own, be treated as evidence of payment difficulty where the customer's account is operating in accordance with the agreed arrangement.

## 2. Disconnection protections

The draft rule proposes changes to when a retailer is taken to have arranged de-energisation or re-energisation, the communication methods retailers must use before disconnection, and the application of the minimum disconnection amount regardless of whether the customer has agreed to repay the outstanding debt

ActewAGL recognises and applies disconnection as a last resort across its customer assistance and disconnection processes. ActewAGL uses its best endeavours to engage customers and offer appropriate assistance before progressing to disconnection. A missed payment, or a customer's failure to meet a payment plan or other assistance arrangement, does not automatically result in disconnection. ActewAGL makes further attempts to engage with the customer, understand their circumstances and identify an appropriate way forward.

However, some customers who accumulate debt do not engage with the retailer despite repeated contact attempts, via a variety of mediums. This lack of engagement includes customers not responding to calls, SMS, email, letters or other communications. In these circumstances, and after all applicable assistance and disconnection requirements have been met, a retailer may have no reasonable alternative than to progress with disconnection. ActewAGL therefore encourages the AEMC to ensure that the combined effect of these reforms strengthens protections for customers experiencing genuine payment difficulty while preserving a workable and proportionate last resort pathway for retailers. This is particularly important because retailers do not have the same avenues as network businesses to recover debt that ultimately proves unrecoverable.

Furthermore, designated retailers such as ActewAGL must offer supply to small customers in their designated areas, limiting their ability to manage credit risk through decisions about whether to offer supply based on a customer's creditworthiness. Retailers may also be required to accept customers transferred under Retailer of Last Resort arrangements following

[2] ActewAGL's EvenPay

another retailer's failure. These obligations reinforce the need to retain an effective, proportionate and genuinely last resort disconnection pathway where a customer does not engage despite repeated contact attempts and offers of assistance by the retailer.

*Timing of de-energisation and re-energisation*

ActewAGL supports proposed rule 107(6), which clarifies that a retailer is taken to have arranged de-energisation or re-energisation when it submits the relevant request to the distributor. This establishes a clear point at which the AER can assess whether the retailer has met its applicable obligations and distinguishes the retailer's actions from the distributor's subsequent processing and physical de-energisation or re-energisation of the premises. The amendment reflects current practice and is not expected to require material system changes, as the submission timestamp is already captured in existing B2B transaction logs.

However, proposed rule 107(6) will also interact with other retailer obligations, including requirements to arrange re-energisation within specified timeframes. The AEMC should confirm that the relevant time is the retailer's system generated timestamp for submission of a request, rather than the time at which the distributor receives, accepts or actions that request, as subsequent B2B processing is outside the retailer's direct control.

*Two-channel communications before disconnection for non-payment*

ActewAGL supports effective engagement with customers at risk of disconnection and welcomes the proposal that a second communication method is not required where the customer responds to the first contact attempt. ActewAGL's existing case management processes already use multiple communication channels for all customers at risk of disconnection.

Under proposed rule 111(3A), a second communication method is not required where the customer answers the first telephone call or acknowledges receipt of a telephone or electronic message. However, the draft rule does not define what constitutes acknowledgement. A customer may receive, read and act on an email or SMS without replying or otherwise acknowledging receipt. ActewAGL recommends that the AEMC clarify whether acknowledgment requires an express response or may also be demonstrated by an action evidencing receipt, such as making the required payment or contacting the retailer through another channel. This would avoid unnecessary second contact with a customer who has already engaged or taken the required action, potentially causing confusion or frustration.

However, the AEMC should clarify the operation of the requirement to attempt contact through at least two communication methods. ActewAGL understands that an unanswered telephone call does not constitute contact and therefore requires a second attempt through another method. However, once the retailer has attempted contact through at least two methods, it is taken to have used its best endeavours even if the customer does not answer or acknowledge either attempt. Subject to all other applicable requirements being met, the customer's decision not to respond should not prevent the retailer from continuing the disconnection process. ActewAGL recommends that the final determination confirm this interpretation.

ActewAGL also recommends that the AEMC clarify how the preferred communication method requirement applies where no preference, or more than one preference, is recorded. Where no preference is recorded, the retailer should be able to select appropriate methods from those available. Where multiple preferences are recorded, using any one of the customer's preferred methods, together with another appropriate method where required, should satisfy the obligation.

*Minimum disconnection amount rule*

ActewAGL supports the proposed amendment to rule 116(1)(g), which would apply the $500 minimum disconnection amount to all customers, rather than only customers who have agreed to repay their debt. ActewAGL has already implemented the $500 threshold in its collection processes. Customers owing less than $500 do not receive a disconnection notice and are removed from the collections cycle. The amendment is therefore not expected to require material changes to ActewAGL's current processes.

## 3. Payment difficulty assistance information

ActewAGL supports the AEMC's expectation that customers are able to disclose payment difficulty through emerging digital and automated channels.[3] Traditional channels, including telephone, mail and in person engagement, should remain equally valid so that identification of payment difficulty does not depend on a customer using a particular channel.

ActewAGL supports providing clear and accessible information about payment assistance, hardship policies and relevant government support schemes on retailer websites. However, ActewAGL does not consider that the proposed amendments to rule 56 should automatically be extended to rule 113, as de-energisation for denying access to a meter is not necessarily related to payment difficulty. Payment assistance information should be required only where it is relevant to the customer's circumstances.

ActewAGL also supports including concise assistance information on reminder and disconnection warning notices. However, the required action and deadline should remain prominent. ActewAGL recommends brief model wording and a short link or QR code to more detailed website information. This would reduce notice length and the need for template changes when government schemes change.

Should you have any questions in relation to this submission, please contact Kate Goatley, A/g Group Manager Pricing, Analytics and Regulatory, on (02) 6248 3015 or at Kate.Goatley@actewagl.com.au.

[3] AEMC, Streamlining payment difficulty protections, Draft rule determination, 18 June 2026, p 15.

Yours sincerely

Rohan Richardson

General Manager - ActewAGL Retail