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National Energy Retail Amendment – Strengthening Standards for Payment Difficulty Assistance – Rule 2026 (RRC0074)

Alinta Energy welcomes the opportunity to provide comment on the proposed rule change consultation "*Strengthening Standards for Payment Difficulty Assistance*"

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 energy market design, particularly as it relates to consumer protection frameworks, and the ongoing engagement of customers.

The consultation raises an important question about when documentary evidence is a requirement for receiving assistance. Alinta Energy supports customers being able to access financial assistance when they need it and does not require documentary evidence as a precondition for providing support. However, in some circumstances, documentary evidence provided by a customer may help to better understand their situation and tailor assistance in a way that delivers a more sustainable and beneficial outcome for them.

On the issue of third-party representatives and the consideration of information they provide, Alinta Energy supports retailers considering information provided by authorised third-party representatives, including financial counsellors and community advocates. However, we do not support an overly prescriptive obligation that requires retailers to give determinative weight to representations about affordability without also considering objective indicators such as arrears, consumption, billing history, previous payment behaviour.

Our detailed comments and responses to the questions from the consultation paper are provided below. If you have any questions or wish to discuss any aspect of our submission, please contact Shaun Ruddy on (02) 9372 2653 or at shaun.ruddy@alintaenergy.com.au

Yours Sincerely

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Consultation Questions

Question 1: Banning retailers from requiring documentary evidence to access payment difficulty assistance

1. What are the impacts of not requiring documentary evidence from customers in accessing payment difficulty assistance?

Alinta Energy is supportive of the policy intent of removing unnecessary barriers for customer to access support. However, a blanket prohibition on retailers requesting documentary evidence as a precondition to some forms of payment difficulty assistance, removing the ability to request evidence in all circumstances, may make support less targeted, less sustainable and less fair for customers who require more intensive assistance.

Evidence can help ensure that assistance is appropriately matched to the customer's circumstances, that payment arrangements are realistic, and that customers are directed to the most suitable form of support at the earliest opportunity.

A blanket ban may also create unintended consequences for customers by encouraging retailers to rely on less complete information when designing assistance. Where a customer is seeking ongoing hardship support, debt relief, deferral arrangements, or other higher-intensity assistance, such as appliance replacement, relevant evidence can support a more accurate assessment of the customer's needs and reduce the risk that a customer is placed on an arrangement that later fails.

Failed arrangements are not in customers' interests because they can increase arrears, create further stress, and delay access to more appropriate support.

This does not mean that evidence should be routinely required for all customers or all forms of assistance. Retailers should continue to minimise barriers and use discretion, particularly where a customer is seeking immediate short-term assistance or where it is clear from the customer's engagement that support is appropriate. However, an absolute prohibition would remove a useful tool that can benefit customers when applied proportionately, sensitively and only where genuinely necessary.

2. Would banning retailers from requiring evidence to access payment difficulty assistance reduce barriers customers face in seeking support?

Again, Alinta Energy supports reducing unnecessary barriers that may prevent customers from seeking payment difficulty assistance. In many cases, requiring documentary evidence could delay access to support or discourage customers from engaging with their retailer, particularly where the customer needs immediate or short-term assistance. For this reason, Alinta Energy does not require documentary evidence as a precondition for providing support.

However, for the reasons outlined above, we do not consider that a blanket ban on requesting evidence would necessarily deliver better customer outcomes.

Therefore, a customer-focused approach should be maintained that reduces unnecessary evidence requirements, while preserving the ability for retailers to request information where it is reasonable, proportionate and likely to improve the support provided. This approach would minimise barriers to initial engagement while ensuring customers can still receive assistance that is appropriate to their circumstances and capable of being maintained over time.

3. Should retailers be able to require documentary evidence for some kinds of payment difficulty assistance? Does this matter for some types of assistance more than others?

Alinta Energy does not support a blanket ban on retailers requesting documentary evidence when providing customer support. Documentary evidence should never be a precondition for accessing assistance. However, where it is reasonable and proportionate, retailers should be able to request supplementary information to better understand a customer's circumstances and tailor support to their needs. This is particularly important when the assistance goes beyond minimum support requirements, such as debt waivers, appliance replacement, or other higher-intensity support that is intended to deliver a more sustainable customer outcome. Likewise, some Government grant assistance schemes, may require supporting information.

Question 2: Requiring retailers to consider information or representations by customers (or third-party) and changes of circumstances in determining capacity to pay/developing payment plans

1. *How should retailers consider information provided by consumers including via newer digital means (ie chatbots etc)?*
2. *How should retailers consider information from third-party representatives (including, but not limited to, financial counsellors and community advocates) in determining a customer's capacity to pay? How is this information balanced against other factors, such as energy consumption and arrears?*

Alinta Energy supports retailers considering information provided by customers and authorised third-party representatives, including financial counsellors and community advocates. However, we do not support an overly prescriptive obligation that requires retailers to give determinative weight to representations about affordability without also considering objective indicators such as arrears, consumption, billing history, previous payment behaviour and the sustainability of the proposed arrangement.

From a customer benefit perspective, the best outcome is not necessarily the lowest immediate payment. A payment plan that does not have regard to ongoing consumption and arrears may appear affordable in the short term but can allow debt to grow, leaving the customer in a worse position. Retailers should be able to consider all relevant information to design a plan that balances immediate affordability with a realistic pathway to stabilising the account.

Digital channels, including chatbots and webforms, can assist customers to engage earlier and in a way that is convenient. However, information received through these channels may be incomplete, ambiguous or provided without sufficient context.

Retailers should be required to consider such information but should retain flexibility to clarify the customer's position before establishing or materially changing a payment arrangement. This flexibility benefits customers by reducing the risk of unsuitable arrangements being created from incomplete information.

Similarly, third-party representations should be treated as important and relevant, particularly where the third party is authorised and has direct knowledge of the customer's circumstances. However, those representations should be balanced against account information and the customer's actual energy needs. A balanced approach is more likely to produce arrangements that are affordable, practical and capable of being maintained.

Response to payment plan review and updates following changed circumstances

Alinta Energy agrees that payment plans should be capable of review where there is a material change in the customer's circumstances. However, the proposed requirement should not create an automatic or open-ended obligation to continually reassess payment plans in response to any available information. Such an approach may reduce customer benefit by creating uncertainty, increasing administrative complexity, and diverting resources from direct customer support.

A more customer-focused approach would require review where the retailer becomes aware of information that is material, current and relevant to the customer's ability to maintain the plan. This would ensure that payment plans remain responsive to genuine changes in capacity to pay, without requiring constant reassessment based on partial or incidental information that may not accurately reflect the customer's situation.

Customers benefit from payment plans that are stable, clearly understood and regularly supported through meaningful engagement. Frequent unilateral changes or reassessments may confuse customers, undermine trust, or create uncertainty about what is expected of them. Retailers should therefore retain discretion to determine when a review is required and how best to engage the customer before changing an arrangement.

Question 3: Assessment framework

1. *Do you agree with the proposed assessment criteria? Are there additional criteria that the Commission should consider or criteria included here that are not relevant?*

Alinta Energy considers that the assessment framework should place greater weight on practical customer outcomes, including whether the proposed rule will improve long-term affordability, reduce debt growth, preserve early engagement and support sustainable participation in the energy market.

The relevant test should not be whether the rule removes a perceived barrier in isolation, but whether it produces better outcomes for customers over the life of the assistance arrangement.

The Commission should also consider whether the proposed rule may create unintended consequences, including less accurate affordability assessments, greater customer debt accumulation, increased inconsistency in how retailers interpret incomplete information, and reduced flexibility to tailor assistance to individual circumstances. These risks are directly relevant to customer benefit and should be considered alongside any anticipated reduction in engagement barriers.

A customer-benefit assessment should also recognise the importance of proportionality. Requirements that are appropriate for immediate, low-intensity assistance may not be appropriate for more complex or ongoing hardship support. The framework should preserve retailer discretion to apply different levels of verification, assessment and review depending on the nature of the assistance sought and the customer's circumstances.

Preferred approach
Rather than adopting the proposed rule in its current form, Alinta Energy recommends a more targeted and principles-based approach. Retailers should be expected to minimise unnecessary evidence requirements, consider relevant customer and third-party information, and review payment plans where there is material information indicating that the plan is no longer suitable.

However, retailers should retain the ability to request evidence where it is reasonable, proportionate and likely to improve the suitability of assistance provided to the customer.

This approach would better promote customer benefit by supporting early access to assistance while preserving the ability to tailor support, manage debt sustainably, and establish payment arrangements that customers are more likely to maintain. It would also avoid imposing rigid obligations that may appear protective but could ultimately reduce the quality and durability of support available to customers experiencing payment difficulty.