AEMC
Australian Energy Market Commission

INFORMATION

Streamlining payment difficulty protections

We made a final rule to streamline protections for consumers experiencing payment difficulties

The Commission has made a more preferable final retail rule (final rule) in response to four rule change requests submitted by the Australian Energy Regulator (AER) on 19 December 2025.

The four rule change requests[1] 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.

The remaining fifth rule change, *Strengthening standards for payment difficulty assistance,* is being progressed through the standard rule-making process. A more preferable draft retail rule for this rule change was published on 10 September 2026 and can be found here.

The Commission final rule recognises that it is critical consumers are aware of available assistance, and the frameworks for delivering this support are clear and streamlined. The changes also highlight findings from the AER Review and Energy and Water Ombudsman NSW (EWON) that having a clearer framework can better protect customers experiencing challenges from having their circumstances worsened by disconnection, and disconnection should be considered a last resort.[2]

In summary, the changes and final rule 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 final rule ensures disconnection requirements reflect current retailer practice and the intent of the rules (Theme 1)

The final rule clarifies that a retailer is taken to have arranged de-energisation or re-energisation of a customer's premises when they submit a request to do so to the distributor or metering coordinator. The Commission considers this clarity builds upon the principle of disconnection as a last resort and aims to assist the AER in determining

1 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.

2 Energy and Water Ombudsman NSW, Spotlight on, Systematic issues report - The harms of disconnection , April 2026.

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whether a retailer has met its last resort obligation, including the minimum disconnection protections set out in the NERR.

The final 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 will 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 will 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.

There are no substantive changes between the draft and final rule for this theme. The final rule includes minor clarifications, which are:

- to capture metering coordinators as a party to whom a retailer may make a request for de-energisation or re-energisation
- that the existing family violence provisions (rule 76H of the NERR) override the final rule requirements for retailers to use at least two communication methods for customers at risk of disconnection, as intended.[3]

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

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

- Customers will 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 will 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).[4]
- Retailers will be required to provide information about available payment difficulty assistance, a summary of the hardship policy information and about concessions on their website. They will 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 will need to be easily accessible and expressed in plain language.

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

There are no substantive changes in this theme between the draft and final rule. There is a minor clarification in the final rule that separates references to a summary of the retailer's hardship policy and assistance available to customers experiencing payment difficulty (and how to access such assistance). This is to recognise customers experiencing payment difficulty may not be in hardship and clearly distinguish between information relevant to hardship customers and that relevant to those experiencing payment difficulty.

The final 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

3 Final rule, rule 111(3A)(d).

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

published 15 May 2025 and was presented to ECMC, outlining the 13 identified opportunities for reform.[5]

The ECMC, led by the Department of Climate Change, Energy, the Environment and Water (DCCEEW), is progressing the Better Energy Customer Experiences (BECE) reforms to consider whether the existing energy customer protection framework is fit for purpose for consumers through the energy transition and beyond. As part of this work program, ECMC is also considering the AER payment difficulty review recommendation to adopt a single, consistent definition for customers experiencing payment difficulty. The Commission has had regard to these reforms for the five rule change requests from the AER.[6]

The final rule will promote the National Energy Retail Objective (NERO)

This final determination and final rule contribute to our vision for a consumer-focused net zero energy system, that seeks to inform, empower and protect consumers individually and as a collective. This final rule seeks to address potential barriers for payment difficulty assistance and improve transparency around processes, assistance and communications to ensure protections are applied as consistently as possible for customers experiencing payment difficulties.

In making our final rule, we have considered the NERO by applying the assessment criteria outlined in the consultation paper.[7] The Commission also considered equity and the impacts on and barriers to participation for consumers as part of our assessment criteria. This complements the AEMC's guidance to ensure issues of equity are consistently and transparently addressed in a structured way when we are making rule changes and delivering recommendations — that is, putting a consistent focus on accounting for the diversity of consumer needs, experiences and preferences, removing structural barriers to participation, avoiding creating or exacerbating vulnerability.[8]

The final rule will come into effect on 30 March 2027

The final rule has a commencement date of 30 March 2027. This applies across all components of the final rule.

The Commission considers this timeframe to be appropriate, as many of these changes are minor in nature and reflect alignment with current retailer practices. The Commission considers the commencement date allows time for:

- retailers to update internal systems and guidance
- retailers to update their websites, reminder and disconnection warning notices templates to reflect new information requirements
- the AER to finalise their Retail guidelines review and any potential updates to related guidelines.

For information contact:

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10 September 2026

5 AER, Review of payment difficulty protections in the National Energy Customer Framework, Findings Report , 15 May 2025.

6 ECMC, Meeting Communique, 16 December 2025.

7 Section 13 of the NERL.

8 See AEMC guidance on "How the national energy objectives shape our decisions ".