

STAKEHOLDER FEEDBACK TEMPLATE

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in this paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

SUBMITTER DETAILS

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CHAPTER 3 – THE CURRENT SITUATION

QUESTION 1 – Understanding energy bills

1. Do you agree with the statement of issues by the proponent, that bills are no longer fit-for-purpose because there are gaps in content, the information is too dense, and the language is too complex? Please explain your view.	<p>CPSA agrees that bills should be simpler and easier to understand for consumers. Many of CPSA's members and constituency are not online and therefore rely on bills as their sole tool for informing them about their energy usage.</p> <p>The language used on bills can be too complex, especially for people with low literacy and numeracy skills. Explanations should accompany data such as kw/h measurements to make understanding easier.</p> <p>Although bills contain complex information this does not mean there should be less information provided on a bill. If people want to engage with detailed information all the particulars they need should be provided on the bill. As mentioned earlier, for some people, namely those with lack of internet access, a bill is the only tool people have to track their energy usage. If people want to engage in detail this should be accessible on the bill.</p> <p>Also, bills should follow a consistent structure across retailers. Energy saving tools are encouraging consumers to switch to a retailer that offers the best energy deal. A switch in retailers can mean a consumer receives a bill that looks very different. A uniform structure should be in place so that consumers can switch retailers any number of times and be able to read their bill with ease.</p>
2. If you consider there are issues with billing, do the	CPSA considers the provisions listed in Table 3.1 as essential in clearing up some issues with billing. Possible additions are

<p>NERR billing provisions cause or contribute to these issues? Please explain your view with reference to the specific requirements listed in Table 3.1.</p>	<p>listed in CPSA's answer to question 3.3.</p>
<p>3. What other factors also contribute to the billing issues you have identified (e.g. lack of educational tools or campaigns)?</p>	

QUESTION 2 – Receiving energy bills

<p>1. Do you agree there is a need to specify requirements for retailers on how they issue and deliver bills? Please explain your view.</p>	<p>Yes, requirements for retailers on how they issue and deliver bills should be specified.</p> <p>The main concern CPSA has in relation to bill issuing and delivery is that paper bills remain free and the standard format for bill delivery.</p> <p>Paper billing should remain the standard way to receive bills as older people, people with disability and people with lack of access to the internet will be largely excluded from alternative billing options.</p>
<p>2. Do you have a view on how best to give effect to the principle of consumer choice driving billing issuance and delivery? Please explain your view.</p>	<p>For an essential service such as energy, consumers should be entitled to receive bills in a way they see best for themselves. CPSA is well aware that not everyone wants to receive bills electronically, but this is likely to change in the future.</p> <p>CPSA welcomes a clear provision that ensures the choice to select paper bills remains a certainty to safeguard the options of consumers.</p>

QUESTION 3 – Materiality of the issues

<p>1. Which, if any, parts of a bill are confusing to customers, and how does any confusion affect a customer's ability to engage with the market to better manage their energy?</p>	<p>There should be a clearer ability to compare current energy prices with energy prices that were agreed upon at the beginning of the contract. It should also be made easier to make comparisons in energy usage.</p> <p>If people have the ability to make these comparisons, then they could determine if their energy costs are increasing as a result of their consumption or as a result of an energy price increase passed on by a retailer.</p>
<p>2. How do current billing arrangements meet or not meet customer requirements? Please specify whether your comments relate to all customers or specific segments of customers.</p>	<p>The need to be online to shop around and switch retailers excludes a lot of older people and people with disability as they are the least likely cohort of Australians to be engaged with online services.</p> <p>With this being said it should not mean this cohort of Australians miss out on opportunities to access their best possible energy deal. As energy is an essential service, Australians should not have to be online to switch retailers, or be actively engaged in their energy usage, or have to decipher complex information in order to get a fair energy deal. Bills should be clear enough so customers are informed to make decisions about how they can save on future energy bills.</p>
<p>3. Do you have suggested</p>	<p>Paper bills should remain a free service for every energy</p>

<p>improvements to billing arrangements that address any issues you consider are material? Please explain how your proposed solutions are compatible with the trend towards increasing digitalisation, the move to a two-sided market, and the introduction of the Consumer Data Right in energy.</p>	<p>customer. Paper bills should be the standard billing procedure when entering an energy contract, opting out of paper bills should be an option but should never be the standard. CPSA members have overwhelmingly and consistently been calling for paper bills rather than electronic bills.</p> <p>The recent introduction of the Default Market Offer (DMO) should be explained on the bill. Retailers should present their best offer and how much could be saved if customers made the switch.</p> <p>There should also be clear reference to Government comparison services such as the Energy Made Easy service including jurisdictional exclusive services (e.g. NSW Energy Switch comparison tool). The potential savings are the obvious advantage of such an inclusion, but it could also prevent customers from using privatised comparison tools that use sponsored content and do not offer the best savings.</p> <p>A bill should also include a list of available concessions or rebates and how to access these.</p>
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SECTION 5 – RELATED PROJECTS AND RESEARCH

QUESTION 4 – Related projects and research

<p>1. Are there other research findings or projects the Commission should consider in making its determination; what are the most relevant research conclusions and project linkages?</p>	
<p>2. What key lessons should the Commission take from good practice regulatory frameworks for bills in comparable Australian sectors, or energy retail markets overseas?</p>	

CHAPTER 4 – SOLUTIONS

QUESTION 5 – Proposed solution

<p>1. To what extent would the proposed solution address the identified problems and their causes, and promote the NERO?</p>	
<p>2. Do you consider the proponent's solution could be modified to be more effective? Please explain your view. Please explain the benefits, costs, risks and implementation issues associated with the</p>	<p>CPSA does not agree that Rule 25 should be abolished but that it should be amended.</p> <p>There should be several additions made to the proposed solution to ensure customers:</p> <ul style="list-style-type: none"> - Can read a bill from any retailer - Are aware of energy payment assistance arrangements and available concessions and rebates

proponent's solution.	- Know what the DMO is and if they could receive a better offer
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ALTERNATIVE SOLUTIONS

QUESTION 6 – Rules-based approach

1. Are there rules-based solutions that the Commission should consider (e.g. filling gaps in rules 25 and 170 of the NERR, a principles-based bill format provision, or using opt-out provisions for information pertaining to certain bill functions)? Please explain (i.e. benefits, costs and risks).	
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QUESTION 7 – Non-rules-based approach

1. Are there non-rules based approaches — such as an industry code, a non-binding guideline or other industry initiatives — that the Commission should consider to address the issues raised by the proponent and their causes? Please explain (i.e. benefits, costs and risks).	<p>CPSA is of the opinion that regulation is required to ensure that bills become less confusing so that consumers may be informed to make decisions about how best to receive an essential service. CPSA does not believe a non-binding industry code could achieve this. If this were the case, bills would not be confusing for so many people as they currently are.</p> <p>Regulation is also required to ensure that electronic bills are opt-in, not opt-out.</p>
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QUESTION 8 – Hybrid approach

1. Are there hybrid approaches — a suite of rules and non-rules approaches — that the Commission should consider to address the issues raised by the proponent and their causes? Please explain (i.e. benefits, costs, risks, and balance between principles-based and prescription and rules/non-rules)?	
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CHAPTER 5 – ASSESSMENT FRAMEWORK

QUESTION 9 – Assessment framework

1. Is the proposed assessment framework appropriate for considering the rule change request? Are there other considerations that should be included?	
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