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Thursday, 14 January 2021

Mr Conrad Guimaraes  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

By email: <https://www.aemc.gov.au/contact-us/lodge-submission>

Dear Mr Guimaraes

**RE: RRC0038 – Maintaining life support customer registration when switching, draft Rule Determination**

ERM Power Retail Pty Ltd (ERM Power) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) draft Rule Determination on proposed amendments to the National Energy Retail Rules (NERR) to reduce barriers for life support customers who switch retailer or distribution network service provider.

**About ERM Power**

ERM Power (ERM) is a subsidiary of Shell Energy Australia Pty Ltd (Shell Energy). ERM is one of Australia's leading commercial and industrial electricity retailers, providing large businesses with end to end energy management, from electricity retailing to integrated solutions that improve energy productivity. Market-leading customer satisfaction has fueled ERM Power's growth, and today the Company is the second largest electricity provider to commercial businesses and industrials in Australia by load<sup>1</sup>. ERM also operates 662 megawatts of low emission, gas-fired peaking power stations in Western Australia and Queensland, supporting the industry's transition to renewables.

<http://www.ermpower.com.au>

<https://www.shell.com.au/business-customers/shell-energy-australia.html>

**General comments**

ERM Power acknowledges that all small customers should have access to retail competition and strongly supports regulatory frameworks that enable customers to easily obtain the best energy offer for their circumstances.

While we have not seen evidence of the requirement for life support customers to reconfirm medical confirmation as a barrier to switching retailers, ERM Power does support the AEMC's more preferable draft Rule. We consider that by introducing an obligation on the outgoing registration process owner (RPO) to provide the customer, at their request, with a copy of the medical confirmation form to be able to be reused is a sensible and pragmatic solution to meet the objective of the Rule Change.

ERM Power considers that the AEMC's preferred approach is a more balanced and simplified measure which equally promotes security, reduced costs and access to retail competition. We consider that the AEMC's preferable approach will mitigate the risk of a customers' privacy (sensitive information) being breached when compared with an approach which would have required RPOs to send Medical Confirmation forms between each other. This will also enable a customer to ensure that the most updated and accurate information is provided to their new retailer.

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<sup>1</sup> Based on ERM Power analysis of latest published information.



## Large energy customers

ERM Power retails only to business customers and commonly the sites that require life support are those such as nursing homes and hospitals. We have observed that inefficiencies are prevalent for these large energy customers, should they choose to switch electricity retailers, due to current requirements around medical confirmation forms. Nursing homes and hospitals are often unwilling to provide completed medical forms as it is deemed the process is unsuitable for them given the nature of their business. This is because at these businesses, the residents who require life support may change frequently, and the need for medical confirmation is seen as superfluous when it is a medical facility. In addition, the retailer holds a relationship with the medical facility account holder and not with the person requiring life support equipment. In requiring retailers to return medical confirmation forms back to the account holder, we have some concerns around the provision of sensitive information to a third party. As such, we consider that the draft Rule doesn't account for these large energy customers who may want to switch retailers and, may instead, make it administratively challenging for this class of customer to do so. ERM Power supports protections against electricity supply disruptions for any person who requires life support equipment. However, it is our view that such sites should be flagged as life support without medical confirmation in these situations.

We note that the AEMC proposes to amend the definition of 'medical confirmation' to clarify that a medical certificate with appropriate information is an acceptable form of medical confirmation. We support this clarification. ERM Power also suggest that the definition be further amended (amendments in red) to exempt large energy customers classified as medical facilities from providing a medical confirmation form.

***medical confirmation** means certification from a registered medical practitioner that a person residing or intending to reside at a customer's premises requires life support equipment, including the type of equipment, which may take the form of a medical certificate or section(s) completed, or confirmed as accurate, by a medical practitioner within a medical confirmation form. For large sites classified as medical facilities such as hospitals and nursing homes, a medical confirmation form is not required.*

## Implementation

The AEMC proposes that the Rule commences on 4 March 2021. As the final decision is not expected until the end of February 2021, ERM Power strongly opposes a one-week implementation period. Given the importance of ensuring any life support customers do not fall through gaps potentially created by regulatory changes, a one-week implementation period is not practicable. We have grave concern that a one-week implementation period does not provide retailers with sufficient time to update business procedures, update systems and undertake staff training. ERM Power recommends a more reasonable approach to implementation is a commencement date at a minimum of two months post final rule decision.

Please contact Carmel Forbes at [carmel.forbes@shell.com](mailto:carmel.forbes@shell.com) or 07 3364 2404 if you would like to discuss anything raised in our submission.

Yours sincerely,

[signed]

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