

04 September 2020

Conrad Guimaraes
Australian Energy Market Commission
GPO Box 2603
Sydney, NSW 2000

Lodged online: www.aemc.gov.au

Reference: RRC0038

Dear Mr Guimaraes

Maintaining life support customer registration when switching

Thank you for the opportunity to provide our views on the life support customer registration process. We believe this will deliver better outcomes for all customers. Of particular importance to us, is finding the balance between protecting vulnerable customers and ensuring robust processes exist for retailers and distributors.

Nectr is one of the National Electricity Market's newer energy retailers. We are focused on delivering sustainable and clever energy solutions to Australians. We are currently retailing electricity to residential consumers in New South Wales and south east Queensland.

RISKS AND CONCERNS FOR CUSTOMERS SWITCHING RETAILERS

There seems to be a strong correlation between the requirement to submit a new Medical Confirmation Form upon changing retailers, and a customer's willingness to switch retailers. We have had instances of customers cancelling during their cooling off period due to the need to submit a new Medical Confirmation Form. Additionally, we've experienced noticeable delays in receiving a completed Medical Confirmation Form from new customers and therefore a delay in finalising their life support registration. Some customers have not returned the forms, even after regular follow ups.

In the Consultation Paper, the AEMC raised questions around the risk of deregistering a customer when switching if the customer does not notify their new retailer of their life support requirement. Notwithstanding the onus being on the customer to identify themselves as a customer requiring life support equipment. At this stage, we believe the current process exposes a serious gap.

To address this gap and risk, when Nectr receives a Life Support Notification from a Distributor through the market, we re-confirm whether the customer provided that notification at sign up. Where the customer did not identify themselves as requiring life support equipment, we take on the Registered Process Owner role and send the customer the required Medical Confirmation Forms. We have chosen to take on this proactive obligation because we want to eliminate the risk of a life support customer being inadvertently deregistered. Interestingly, through following this process, we've seen customers confirming they do require life support, customers advising they do not require it and some not responding at all.

Once the AEMC determines what the appropriate life support registration process should be going forward, we would encourage you to also review and consider what updates to the corresponding B2B notifications there should be. This is particularly relevant when there are delays in customers returning their Medical Confirmation Forms back to retailers.

MEDICAL CONFIRMATION FORM

In the Consultation Paper, the AEMC raises many questions regarding the Medical Confirmation and the sharing of information between retailers.

Nectr agrees that sharing Medical Confirmation forms between retailers at the time of a switch could provide benefits to customers, as well as ensure a more streamlined approach for retailers. We would encourage the AEMC to broaden its process review to consider how any changes to this process could impact state-based life support rebate processes. For example, the Life Support Rebate process in New South Wales requires a doctor's confirmation. If this form is not considered in the overall review of Life Support processes, a NSW customer may still be at a disadvantage when switching retailers. We appreciate the rebate process is a NSW jurisdictional process and therefore sits outside the National Energy Retail Rules, but there is an opportunity to engage with NSW Government to see whether amendments in the Rules process could accommodate or streamline rebate claims for these customers requiring life support equipment.

To the question of timeframes for "expiry" of the Medical Confirmation Form, the current NSW Life Support Rebate Form requires resubmission every 2 years. We suggest this is a reasonable timeframe to request confirmation from the customer without providing excessive barriers to obtaining the protections required.

Additionally, whilst reviewing the forms, we would encourage the AEMC to consider both digital solutions and approvals in their review. For example, could the new process facilitate the direct provision of an electronic confirmation from the customer's doctor to the retailer? With the increase of e-health and teleconsults, this sort of approach could provide a customer with greater flexibility to get 'signed' Medical Confirmation Forms from their doctor (while maintaining the privacy and integrity of the information collected). A digital process and signature for a universal Medical Confirmation Form should be achievable.

There is also a question as to whether the Consumer Data Right (CDR) may offer an additional process to transfer customer life support registrations when a customer moves house or changes retailers. While the CDR is still under development in the energy industry, we would encourage the AEMC to consult with the ACCC and AEMO on the value of including this customer data field in the initial set of data covered by the CDR.

OTHER CONCERNS

Deregistering Customers with Life Support Requirements

Operationally, the process of deregistering a customer from the Life Support Register presents a range of challenges and inconsistencies, depending on how that process is initiated. If a customer receives a Medical Confirmation Form from their retailer and advises they do not require Life Support equipment at their premises, the retailer is required to:

- Wait 50 business days;
- Issue two Reminder Notices;
- Issue a Deregistration Notice; and
- Issue a Deregistration Confirmation.

We appreciate the need to balance customer protections, however this is not a great customer experience when an informed customer has advised they do not require life support equipment. We would encourage the AEMC to consider a process for voluntary customer deregistration, which may allow for a reduced timeframe / number of notices to process a deregistration.

DISCUSS FURTHER

We thank the AEMC again for seeking views from industry on Life Support processes. Should you wish to discuss this submission, or any of the other questions raised in the Consultation Paper, please contact me on the details below.

Kind regards,



Sam Morris

Manager, Risk & Compliance

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