

14 January 2021

Mrs Merryn York Chair Australian Energy Market Commission GPO Box 2603 Sydney NSW 2000

Electronically: <a href="https://www.aemc.gov.au/contact-us/lodge-submission">https://www.aemc.gov.au/contact-us/lodge-submission</a>

Dear Ms York,

#### RE: RRC00338 Maintaining Life Support Registration when switching - draft decision.

Origin Energy appreciates the opportunity to provide a submission in response to the Australian Energy Market Commission's (AEMC) draft decision *Maintaining Life Support Registration when customer switching.* 

Origin maintains the view that there is insufficient evidence to support the conclusion that the current notification of registered medical information arrangements between retailers are acting as an impediment to life support customers switching retailer. Notwithstanding, we agree with the AEMC that avenues which can improve the ease in which life support customers can access competition at lower costs ought to be considered.

With that in mind, we broadly support the alternative proposal put forward by the AEMC. Origin's views on matters raised in the AEMC's draft are set out below.

# Returning confirmation documents to the customer

The draft decision introduces a requirement for the Registered Process Owner (RPO) to provide the customer with a medical confirmation form or documents within 10 business days from receiving this request from the customer.

Given the relatively low volume of life support customers and the number of transfer requests, it is likely that providing the customer a copy of their forms would be undertaken manually. Origin believes that 10 business days is a realistic timeframe for retailers to meet this obligation.

### Keeping forms for a specified period

Origin considers that the draft requirement for the RPO to keep a customer's medical confirmation form (MCF) for 110 business days after the customer is no longer an active customer of the retailer is reasonable. We do not believe this will impose material obligations on our existing record keeping procedures.

## Allowing for and informing customers of form re-use

Origin supports the proposed requirement that both the incoming and outgoing RPO inform the customer that their existing medical confirmation form may be able to be re-used. This will result in a lower risk of the customer losing their registration because it removes any additional requirement on the customer and would allow them to provide the valid form almost immediately.

Origin is happy to accept an existing medical confirmation form as long as it meets the content requirements to allow us to register the customer for life support.

Origin considers that a 4-year registration validity is too long and consider this timeframe ought to be reduced. Accurate life support registers are an important part of the safe and effective management of life support customers since these are relied on in case of an outage or emergency to prioritise at-risk customers. A more accurate registration list is desirable because it ensures that in emergencies the most vulnerable customers are prioritised. Outside of emergency situations it allows for retailers to appropriately manage their life support customers as they are impacted by routine retailer activities which may affect them. We feel that a shorter validity period would allow the timely removal of registrations that are no longer applicable.

The NSW Social Programs for Energy Code sets a 2-year validity period for life support rebates. We understand this limitation is intended to balance providing support to life support customers with the cost of the rebate.

Since a requirement for life support is not always permanent, the 2 year period exists to ensure that customers who are eligible for the rebate will continue to receive it while placing a limitation on the period someone who is no longer eligible would continue to receive the concession after their entitlement has ended. Retailers must also conduct a verification audit of the rebate every two years to confirm it is only being provided to eligible customers.

We think that there is value in aligning the rule change with the NSW time frame for similar reasons. The cost to retailers of servicing life support customers is greater than customers with no specific additional protections. Aside from the inability to disconnect life support customers – which leads to a separate set of communications and procedures when managing their billing and customer journey – there are more obligations on retailers and distributors with respect to information management for life support customers. There is a requirement on retailers to conduct a reconciliation of Life Support Details for NMIs with Life Support customers at least quarterly. This is in addition to the standard Customer Site Details Notification transactions that are required to notify relevant participants of the requirement for life support, or subsequent changes or cessation of that requirement. We think that a two year validity represents a reasonable balance between prioritising the protection of life support customers and the cost burden placed on retailers to ensure those protections function properly.

### Updating the definition of medical confirmation

Origin does not support the updated definition of "medical confirmation" to include that a medical certificate may be used to provide medical confirmation. We think that this would have the effect of eroding the 2019 rule change that aimed to ensure that the information required for effective consumer protection was included when the customer was registered for life support.

A medical certificate typically does not include the information which the life support registration form captures. Medical certificates are not in the form of a template and often do not list relevant information such as the fuel type or machine the customer is reliant on. Where such information is missing, the retailer may have to flag both fuels for life support even where this is not necessary. The 2019 rule change identified this issue and sought to resolve it by introducing the template for life support registration. The template included fields for all the information that was required to validly register the life support customer. If the definition were now expanded, it is likely that the life support register would grow and once again become inaccurate.

Origin notes that the life support concession form contains the relevant information and is also required to be completed by a medical practitioner. We propose that this form could be used for valid registration in place of an MCF.

<sup>&</sup>lt;sup>1</sup>B2B PROCEDURE: CUSTOMER AND SITE DETAILS NOTIFICATION PROCESS 3.3, AEMO Markets 2020, 4.7 *Life Support Reconciliation* 

# Closing

Origin is committed to improving customers' experience through supporting approaches which make meeting customer needs simpler. We consider that the alternative solution to assist customers minimise the risk of deregistration when switching retailers could be an appropriate response to make switching less onerous for Life Support customers.

If you have any questions regarding this submission, please contact Courtney Markham in the first instance on (03) 9821 8086 and or Courtney.Markham@originenergy.com.au

Yours sincerely

Sean Greenup

Group Manager Regulatory Policy sean.greenup@originenergy.com.au