



AGL Energy Limited

T 02 9921 2999

agl.com.au

ABN: 74 115 061 375

Level 24, 200 George St

Sydney NSW 2000

Locked Bag 14120 MCMC

Melbourne VIC 8001

Richelle Preisser
Principal Regulatory Officer
Economic Regulation Authority
Level 4, Albert Facey House
469 Wellington Street
Perth WA 6000

03 October 2023

Dear Ms Preisser

AGL welcomes the opportunity to review the Economic Regulation Authority's (**ERA**) Draft Decision detailing its proposed amendments to the Compendium of Gas Customer Licence Obligations (**Compendium**) published on 23 August 2023.

AGL supports the ERA aligning the Compendium with the Electricity Code to ensure gas customers are provided the same level of protection as electricity customers in Western Australia (**WA**). However, we recommend that the final decision on the Compendium also consider how it can align to customers afforded protections by the Australian Energy Regulator through the National Energy Consumer Framework (**NECF**) and customers in Victoria through the Victorian Energy's Retail Code of Practice Code (**Victorian Code**). Several gas retailers in WA also operate within these other states and territories. Achieving harmonisation across regulatory frameworks will not only allow customers to receive similar levels of protection but will also reduce cost to serve by not requiring unique systems and processes across multiple jurisdictions within Australia.

We strongly request that the ERA reconsider the implementation timeframes being proposed in this updated Compendium. With a view to achieving a final decision in November, this only leaves industry with less than 2 months to build and implement the proposed changes prior to the new Compendium coming into effect on 01 January 2024. The difficulty with implementing the changes in this short timeframe may be further exacerbated by third party vendors that retailers need for various aspects of the implementation (such as contract printing, or legal review) closing down for the Christmas period. To ensure high levels of compliance and adequate resourcing, we urge the ERA to consider aligning all amendments to take effect at the same time as the family violence provisions on 01 April 2024. This will provide retailers time to review and amend systems and processes to ensure industry can comply with the amendments when they commence.

Protections relating to family violence

Supporting and protecting our customers and staff who are affected by family violence continues to be one of AGL's highest priorities. As one of the first energy retailers in Victoria and across the NECF states to implement a family and domestic violence policy, both at a corporate and customer level, AGL welcomes the opportunity to continue to engage closely with the ERA on the development of family violence regulations. Family violence is a complex, multifaceted societal issue and we understand that while the experiences and circumstances of victim-survivors may be vastly different, each are equally sensitive, requiring essential service providers to offer support that is meaningful, dignified and tailored to the customer's needs.

The implicit purpose of family violence regulations is to maintain the safety of affected customers when dealing with their essential services provider. AGL appreciates the sensitivity and importance of protecting



the safety of affected customers and has incorporated this critical aspect into our operations through agent scripting and processes to allow staff to take appropriate action when necessary.

Definition of customers affected family violence

AGL recommends that the ERA look to align the definitions of “vulnerable customer” and “designated person” to align the “affected customer” definition under the NECF and the Victorian Code. The use of the term “vulnerable customer” is broad and does not necessarily accurately capture the customers that retailers are seeking to engage with and apply these protections to.

Similarly, we recommend the ERA look to extend these provisions from just residential customers, to both residential and small business customers. We do not consider it a just outcome when a retailer declines to assist and protect a customer experiencing family violence on the basis of their account categorisation. It is the duty of providers of essential services to treat customers affected by family violence with respect and to be inclusive. Further, a customer-retailer interaction where an agent is forced to decline to assist the customer because of how their account has been set up, would be deeply distressing to both the affected customer, and staff of the energy retailer. As such broadening the scope of these provisions will help to ensure that the reform protects the greatest practicable number of affected customers. Again, this would align with the requirements within Victoria and the NECF jurisdictions, of which all national energy retailers currently comply with.

Family Violence Policy

We have specific comments and recommendations to the new inclusions under section 62 on establishing a family violence policy. We outline the comments and edits below in an effort to help reduce regulatory burden, reduce compliance costs and seek further clarity.

62(2)(a)

- 62. *Family violence policy*
- (2) *The family violence policy must –*
 - (a) *provide for the training of staff (including call centre staff and field officers) about issues related to family violence and its impacts including how to identify customers who may be affected by family violence and how to apply the policy effectively and appropriately to provide assistance to vulnerable customers;*

Comment: The National Energy Retail Rules provides a level of specificity that requires training staff who will communicate with family violence customers and their managers, as well as those responsible for processes and systems to communicate with small customers. The WA rules seem to require training all staff regardless of their involvement with things affecting FV customers. We recommend the ERA review this clause to ensure it reflects its intended purpose.

62(2)(b)(ii)

- 62. *Family violence policy*
- (2) *The family violence policy must –*
 - (b) *require the retailer to advise a vulnerable customer –*
 - (i) *that the retailer must take reasonable steps to protect the vulnerable customer’s information if the customer requests the retailer to do so; and*
 - (ii) *about the **consequences** of being named on the account of a residential customer who is not a vulnerable customer*

Comment: What does ‘consequences’ mean? More clarity is required to understand a retailers obligation under this clause.



62(3)(b)

62. *Family violence policy*
(3) *The training required under subclause (2)(a) must satisfy at least 1 of the following requirements –*
(a) *It is developed in conjunction with appropriate consumer representatives*
(b) *It is provided ~~by~~ in conjunction with appropriate consumer representatives*

Comment: Is this intending that external consumer representatives conduct the training of staff? AGL recommends that this subclause is amended to be 'in conjunction with' rather than 'provided by' in order to ensure knowledge of the retail processes are maintained accurately.

63(1) & 63(1)(f)

63. *Protection from disconnection*
(1) *A retailer ~~must ensure~~ must not arrange for the disconnection...*
(f) *A retailer or distributor is directed to disconnect supply by a relevant authority*

Comment: We support the introduction of a disconnection moratorium for customers affected by family violence to ensure those customers have access to a gas supply to maintain a liveable environment during a potentially volatile time. However, we recommend that the wording of this provision be revised for clarity. We suggest that the following amendments be made to align with other jurisdictional requirements and clarify that a retailer is only obligated to not request a disconnection rather than ensuring supply. Additionally, we recommend including a sixth item that outlines there may be instances in which a retailer or distribution network may be directed to disconnect by a relevant authority in WA.

Variations to contracts

Clause 13.4: contents of bill

The AER introduced the Better Bills Guideline which replaced existing bill content requirements for energy retailers operating in NECF jurisdictions. Any alignment and harmonisation ERA can make with similar requirements already established in the energy sector will benefit industry by reducing regulatory burdens and ultimately help to minimise undue costs on consumers. We recommend that this requirement be amended to provide a clearer direction and line up with the newly established bill requirements within NECF jurisdictions.

13. *Contents of bill*
(4) *The bill must include the following information in relation to amounts due and payments –*
(l) *~~the amount due; the average daily amount due or consumption for the past 13 months to the extent that data is available~~*

Billing

Bill delivery

Currently, under clause 4.4 of the Compendium, a retailer must issue a bill to a customer at the customer's nominated address. This may be a physical address or an email address. However, we understand that the Electricity Code was amended to no longer prescribe how bills are issued to enable flexibility for customers to choose how they receive their bills and flexibility for retailers to decide how they provide bills (for example, allowing the use of alternative bill delivery methods, such as online accounts or mobile applications).



AGL supports the ERA's proposal amending the Compendium to include this flexibility for gas customers and retailers. However, we seek clarification if this will only apply to delivering bills to new customers or will it also apply existing contracts?

Treating adjustments as overcharges or undercharges

AGL supports aligning the WA Electricity Code to delete the definition and treatment of adjustments. However, we recommend:

- For **undercharging**, retailers are not required to provide an explanation that includes a specific calculation unless requested by the customer. Any introduction of new requirements of displaying calculation methods will require longer implementation timeframes. We recommend the ERA align undercharging requirements to those under the NECF and the Victorian Code.
- For **overcharging**, a process that notifies and waits for a response from the customer will delay the process in providing the amount back to the customer. AGL recommends that retailers should be able to automatically credit the account but should be required to notify the customer of the overcharge, advise of the options and allow them to seek a refund or transfer if requested.

Payment assistance

Section 34(3)(b) outlines that a retailer must communicate to a hardship customer that we are obliged to consider a reduction of fees, charges or debt. We request additional clarity from the ERA on how they expect this provision to work alongside the s38 which outlines that retailers must give 'reasonable consideration' to a request. By obliging retailers to communicate this option to customers, then to consider their request and then the retailer may potentially decline support, could be confusing or upsetting to customers. We recommend that the ERA consider removing this additional provision under s(3)(b) and retain s38 as the primary mechanism through which a customer can request assistance when experiencing financial hardship.

Payment plans

AGL requests clarity on section 36(2) that provides that a retailer must, in relation to a residential customer for whom a payment plan is being considered, offer the customer assistance to manage their bills for ongoing consumption during the period of the payment plan. We specifically request more clarity on what 'manage their bills' involves.

Substantive matters raised by stakeholders

Meter reads and customer self reads

AGL supports our customers to submit a self-service meter read to get a more accurate idea of their energy usage to reduce estimated bills and control their budgets. We recommend that the ERA does not treat customer self-reads as 'actual' reads on customers' bills. Currently we itemize these reads under the category of 'customer' to allow for us to fulfill our obligations of ensuring that once every 12 months there is an actual meter read by a technician. Therefore, there is still a requirement to differentiate between a 'retail actual' and a 'customer actual' meter reads.



If you have any queries about this submission please contact Emily Gadaleta, Regulatory Strategy Manager at egadaleta@agl.com.au.

Yours sincerely,

Chris Streets
General Manager, Policy and Markets Regulation