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NSW Government

Department of Planning, Industry and the Environment

27 November 2020

NSW Social Code amendments

AGL welcomes the opportunity to comment on the Department of Planning, Industry and Environment's (**the Department**) consultation on version 7 of the NSW Social Programs for Energy Code (NSW Social Code).

The purpose of the NSW Social Code is to facilitate the delivery by authorised retailers the following social programs for energy in NSW¹:

- Low Income Household Rebate
- NSW Gas Rebate
- Life Support Rebate
- Medical Energy Rebate
- Family Energy Rebate
- Energy Accounts Payment Assistance (**EAPA**)
- Energy Offer Information program

Any changes to the Code should aim to generate process improvements in the delivery of these programs. These process improvements directly impact NSW energy consumers through lowers industry costs and therefore ensuring energy remains affordable as well as ensuring NSW public funds are allocated and distributed to those in most need and therefore maximising public spending. Our review and feedback on the proposed changes is based on how well the changes meet these objectives. We encourage the Department to apply the same lens.

We support a range of the Department's recommendations under this consultation and recognise the positive impact they will have for NSW consumers. In particular, we are generally supportive of the proposed Government Made Easy webform which will allow consumers to use the Service NSW webform for eligibility on a range of rebates. While we have specific comments (addressed in the table below), the high-level recommendation will create simplicity for consumers and participants and lead to positive consumer outcomes, and the proposed start date allows sufficient time to build and implement a solution.

However, while we support the intention of the Department for many of the proposals, we have a range of general and specific concerns including:

- The proposed timeframes will give retailers only three months to implement extensive system and processes changes by 1 July 2021, which is insufficient.
- The proposed implementation time period for the July 2021 changes (April to June 2021) will also overlap with the Department's delayed Social Code Audit program, which requires retailers to

¹ Section A2 of the NSW Social Programs for Energy Code, <https://energy.nsw.gov.au/media/1841/download>



complete the audit by May 2021. The same retail resources required to complete the audit will also be required to implement the proposed Social Code changes as well as continue their business-as-usual operational activities of delivering the Social Code support program to NSW residents. All this will have to be delivered in an uncertain period as the industry and the wider economy has yet to determine what a COVID-19 normal workplace will look like.

- Many of the proposed changes are interim solutions or phased obligations until the Department builds the One Form solution for 1 July 2022, which is an inefficient use of retailer resources.
- The Department has not included a cost-benefit analysis or provided detail as to why such a use of retailer resources is necessary and how the interim solutions are likely to impact additional costs for consumers (e.g. that there is substantial consumer detriment, or that there is a form of market failure). In some instances, the Department is proposing changes to retailer systems for what appear to be extremely low numbers of customers, or purely administrative solutions (e.g. under the Senior Energy Rebate recommendations).

The objective of the Department's amendments should be to support customers where it has been demonstrated as necessary and the benefits outweigh the cost/burden to retailers and consumer. Further, all changes should align with the NSW system changes for their webwork with Services NSW except in exceptional circumstances. For these reasons, we encourage the Department to undertake an appropriate cost-benefit analysis to determine which of these recommendations (particularly the interim proposals) are so necessary as to require regulatory intervention and changes to retailer systems and processes. We have provided a more detailed response to the Department's consultation and questions below.

If you have any questions, please contact Kat Burela on 0498 001 328 or at kburela@agl.com.au.

Regards

Elizabeth Molyneux

General Manager Policy and Markets Regulation



Executive summary

The objective of the NSW Social Code and any subsequent changes should be to support customers where it is deemed necessary and appropriate when considering both the costs and benefits of further obligations on retailers.

We do not support derogations from the national rules and laws or bespoke reporting obligations for no clear benefit. This is a matter that has been considered by the ACCC in their Retail Electricity Pricing Inquiry (REPI) report. They noted concern by an ever-increasing suite of prescriptive rules that are increasing costs and largely being circumvented by retailers through ‘creative compliance’. The risks associated with a framework entirely based on prescriptive rules will only increase as the market and technologies continue to change.² Further, recommendation 28 of REPI stated that future derogations from the NECF should be limited to situations where there are jurisdiction-specific needs that cannot be addressed by a NECF-wide rule change.

As we describe in our detailed tabled response below, there are a range of recommendations that we do not consider meet this threshold and will create costs and complicated processes for retailers with little to no demonstrated benefit to consumers.

In some instances, the Department also seeks to utilise the NSW Social Code to place obligations on retailers that fall outside of a retailer’s purview (such as requiring non-LPG providers to provide LPG rebate information to consumers) or better addressed under the national rules and laws (such as the white label partnerships and hardship policy references).

We would encourage the Department to ensure that any regulation or obligation falls within the intent of the NSW Social Code legislation and Purpose as well as within the role and function of market bodies. In the case of the LPG recommendations, the Department should work with relevant government and policymakers to make a voluntary code or recommendation for LPG providers to ensure LPG customers have the appropriate supports.

Implementation

We do not support the 1 July 2021 dates recommended for retailer changes. We cannot commence changes until the final decision is issued (which is currently scheduled for March 2021) and this would not provide us with sufficient time to implement the range of changes as well as complete the Social code audit program which is due to be completed in May 2021. Further, there are a number of changes that we see as being transitional until the 1 July 2022 “one form” process is delivered by the Department (which would be receiving 18 months of implementation time).

We support a consistent approach for Government Made Easy and agree that a 1 July 2022 is an appropriate timeframe for this program of work, and we have reflected this in our engagement with the Department to-date. We do not agree with proposals to have interim solutions (such as for the Senior Energy Rebates) for 1 July 2021 for just 12 months.

We therefore encourage the Department to consider which elements would be required post “one form” implementation, and then align the timeframes for the remaining items to 1 July 2022. Regardless, we

² See the [REPI report](#), p.330.



would need approximately 9-12 months to implement the system changes required under these recommendations and do not see any efficiency opportunities in doing this in a phased way.

Consultation

We appreciate the workshop that the Department hosted prior to the release of the paper as it gave stakeholders an opportunity to clarify some of the matters that the Department were recommending on changing. Further, while we acknowledge that the Department has facilitated the NSW Energy Retailer Working Group, the specific detail and scope of changes were not discussed in a meaningful way in these forums, therefore a two-week period to respond to the significant range of detail, questions and issues has created significant pressure on our business to provide a meaningful response. We encourage the Department to provide at least four weeks for future consultations, as is consistent across other government consultative processes across state and Federal level.

Fee recovery

The Social Code allows retailers to recover efficient costs for administering certain obligations set under the Social Code. Given the range of changes recently, and as recommended in this consultation, we request that the Department commence a review of the fee arrangements to ensure they are reflective of retailer costs.

We provide answers to the NSW Departments specific questions in the attachment below.



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Topic	Department questions	AGL comment
Rules as Code	1.1 The Department would like your thoughts on using 'Rules as Code' as the method for drafting the eligibility and systems elements as Rules as Code where applicable.	<p>The Department is proposing to insert computer code into the legislation. This has been positioned to simplify legislative language and have pseudo code for retailers to understand and utilise. In the retailer workshop hosted on Thursday 29 October 2020, the Department used the example of 4.5 years being interpreted in different ways (e.g. 2/365, leap year implications). This type of example can be resolved through drafting that states the number of days the Department intended, rather than in providing coding for retailers.</p> <p>Retailers have already implemented solutions based on the legislation, any inconsistencies is a result of lack of clarity or guidance by the Department in the first instance, and should be rectified by clearer drafting – we do not agree that this should result in Code being introduced to legislation.</p> <p>Requiring retailers to undertake a full review to ensure that what is implemented matches the Code as legislation is more onerous than simply adjusting in our existing systems for items such as half year calculations. The Department could utilise the drafted code as guidance, which would also assist new retailers and embedded networks as they transition to NSW Social Code obligations but should not mandate it through legislation.</p> <p>We also refer the NSW Department to the work currently underway by the Energy Security Board (ESB) on a Data Strategy for the energy sector.³ One of the key aims of this work is to reduce the regulatory burden on retailers for a range of reasons, including compliance and reporting. We therefore consider any changes that introduce significant changes to legislative approaches should be considered in the broader lens of the energy regulatory framework and national data management reforms.</p>
All six energy rebates (One Form)	2.1 Are there any other API call requirements other than matching: 1) customer name, 2) account number, 3) NMI/DPI to be able to identify the customer and then 4) rebate type for the rebate value to be applied as a lump sum	<p>The data should be kept to a minimum and only as much as is needed for identification. There are some substantial concerns relating to operationalizing this change and have listed items for further consideration include:</p> <ul style="list-style-type: none"> Are these rebate amounts only and not the CRN/Card Type specifically to be entered/provided ongoing unless stated otherwise? There would likely be complexity in administering the rebates in alignment with retailer billing algorithms, customer invoices but also customer understanding of rebates specifically so would need further information on how this information would be provided/applied and how to migrate customers onto the same transition when they are

³ <http://www.coagenenergycouncil.gov.au/sites/prod.energycouncil/files/publications/documents/ESB%20Data%20Strategy%20-%20publish%20201020a%20fixed.pdf#:~:text=The%20Data%20Strategy%20The%20Energy%20Security%20Board%20%28ESB%29,energy%20market%20transformation%3B%20that%20stakeholders%20across%20the%20sector>



	<p>on the customer's bill. Note: retailers' API call response will need to advise which element 'failed' validation so the customer can try to resubmit.</p>	<p>accustomed to applying for their concession entitlements in current state. If rebates amount only, will these be segmented according to concession type e.g LIHR, GR, MER, FER etc, if multiple are applicable?</p> <ul style="list-style-type: none"> • If the retailer will not be providing ongoing concession, how frequently would this information be provided by the Department? Considerations for customers billing cycle will need to be considered. • The workflow process implies that the Department will send this information once this information is validated through the Department and concession to be applied to the next invoice however this may place customers out of pocket until then. Will the rebate include a backdated amount from date of initiation with the Department? Concerns how this will be governed if customers have move in issues/transfer out issues and then potentially misses out on concession rebates - specific scenarios for customers billing will need to be catered for and have further consideration. • This will be a significant change to our Life Support operational processes in which AGL introduced a consolidated Life Support Concession and Life Support Registration Application Form which was approved by the Department. This was to ensure that where a customer was eligible for guaranteed supply that any eligible concessional rebates would be administered at the same time, reducing customer cost and effort in obtaining the appropriate medical approvals separately and creating certainty and efficiency in applying these timely. As a result of this change, may now impede the customer experience in having their concession information applied separately to their Life Support Registration. • Regulation considerations and clarifications where a Life Support Concession rebate is received by retailers and if this would be treated by AER as a notification of Life Support registration if not currently registered. There is also a risk that customers may misinterpret that applying for concessions through Service NSW does not mean they are applying for their Life Support Registration and the clarity and direction that will need to be provided to ensure the customer is not put at risk of guaranteed supply. • All reference material/internal and external communications/legal documentation/training materials etc which will need to be updated to reflect that concessions application processes have changed • Complaint Management processes to be defined for concession rebate/billing complaints and EWON scheme changes as a result based on transfer of ownership. <p>It is important to note, that this proposal is similar to the South Australian DHS which are directly managed and provisioned by the DHS. For standard electricity and gas concessions, DHS SA will provide eligibility information directly to the retailer to administer and all other concessional rebates are managed directly by DHS (e.g. Life Support Concession). Some important learnings can be taken from the SA process, for example – challenges in timeliness of provisioning the concession (which occurs after the customer invoice has been generated) increased complaints due to financial stressors. DHS reviewed their operational model and respective concession guidelines and are now seeking ways to align with other state jurisdictions where retailers administer concessions directly.</p>
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	<p>2.2 Are there concerns from retailers about creating one form for all energy rebates for 1 July 22, instead of a staged process starting with embedded network customers of Authorised Energy Retailers and SER customers for implementation by 1 July 21?</p>	<p>We encourage the Department to consider a 1 July 22 for all changes as we have noted above in our cover letter. 1 July 22 allows retailers time to implement system changes and will remove the need for costly interim measures to be built.</p>
	<p>2.3 For a 1 July 22 implementation, when do Retailer system architects/developers need to have the API request mapping by, noting testing will need to occur before implementation?</p>	<p>We expect this to be a significant system change and will likely need 9-12 months in advance for API testing and resourcing to support the change. These changes will require end to end integration and suppression of existing operational processes particularly for AGL who has a highly cognitive and integrated concessions validation API integration with Services Australia.</p>
	<p>2.4 What are the barriers for Retailers to implement the one customer journey for energy rebates customers project?</p>	<p>Time to implement and commercial administration will be the largest barriers. AGL has already invested resources in to developing Real-Time Concessions Validation to increase our compliance to the NSW Social Code which is an API integrated response with Services Australia Centrelink Confirmation eServices (CCES) portal and enables AGL to validate concession upfront, prior to adding the concession card to the customer’s account and administering concessions ongoing. The Energy Rebates project will be counterintuitive to AGL’s current operating model in which would need to be decommissioned to cater for the change. The cost of this enhancement should be factored into any cost-benefit assessment completed by the Department.</p> <p>There is also a change around how Life Support registration is integrated as part of this process. Currently AGL have a one form for Life Support Registration and Life Support Concession so should we receive a file from the Department to advise they are eligible for Life Support Concession - there are operational changes to consider and implement if Life Support should be registered and reverse engineer this process. There will also be changes to all supporting documentation, reference material, training for frontline and changes to back of house technical processes to cater for this change.</p>
	<p>2.5 What are Retailer recommendations for encouraging customers to re-apply for the rebate annually, should the Government seek approval as part of the consent to re-check the customer for eligibility in the subsequent year and advise the customer they are no longer eligible? For example, what if the customer switches Retailers and the Retailer data is no longer up to date?</p>	<p>We recommend that the Department should seek approval for consent as retailers will not have visibility of eligibility at any time in the customer’s journey. Such an approach will also ensure no disruption in the administration of concessions should eligibility be determined to be continued. Retailers can support customers in re-applying through call conversations where required.</p>
	<p>2.6 What are the recommendations from stakeholders in relation to customers who</p>	<p>We encourage the use of support services, such as in person support at NSW Service Centres for customers who are not digitally enabled.</p>



	can only take a non-digital journey? Is providing an over the phone journey or onsite at Service NSW Service Centre sufficient?	
	2.7 What are stakeholders' recommendations for change managing this process with customers?	We encourage Service NSW to ensure that timely, accessible communications are delivered to customers, through their website and other customer communications. For existing customers, the Department should ensure that they provide this information in writing (either by letter or email).
	2.8 What are the recommendations for how existing retailer and embedded network customers be transitioned to this process? For example, should there be a hard transition of 1 July 2022 to direct customer to the new online process from 1 July 2022 through communication by the Retailer using the customer's preferred means of communication?	We agree that a hard transition would need to occur before moving over to the new platform as a staggered approach can cause ambiguity and complexity in administrating which ultimately may impact costs and customers. Retailers can future end date all concession customers within our customer relationship management in time for the change and the introduction of timely communications by Service NSW plus an internal communication that retailers can support, should assist with this transition.
	2.9 Should the Code require stakeholders to warm transfer customers to Service NSW for assistance with their application?	We do not support a regulatory obligation for retailers to complete warm transfers. There are a range of restrictions on this, including logistical impacts to retailers regarding Service NSW wait/hold times and peak call times for retailers. This process may also cause operational disruptions to other customers attempting to contract retailers for other billing related enquiries. This can impact retailer service level agreements and obligations and our performance reporting metrics (such as those to the AER).
Expanding EAPA to EN	<i>Various embedded networks questions.</i>	<p>We support ensuring that embedded network customers are afforded the same supports and protections as mass market customers. However, as with our other comments, we do not support a staggered approach, phased implementation or interim solutions. It is appropriate for all these changes to commence on 1 July 2022.</p> <p>AGL cannot verify customers details outside of the business organization registered on the utility account and are not intending to change any operational management of this customer segment due to other billing considerations and complexities.</p> <p>Additionally, NMI's/MIRN's also do not provide specific details of on-seller arrangements such as multiple metering or private metering configurations and therefore would rely on this information being provided by the business and manually noted in the retailer billing system. There is a risk that this information is not able to be validated and therefore may be incorrectly provisioned to customers.</p> <p>This is dependent on the granular level of the change itself to comply with the recommendations as per the above restrictions with AGL's CRM. System changes will be required which will not be commercially viable if it's to administer EAPA</p>



		<p>and rebates only and will require a larger industry level engagement and approval process with embedded network operators who are well accustomed to billing operations for their utility accounts.</p> <p>As we have noted above, we do not consider a staggered approach required for 12 months to administer EAPA temporarily is feasible and recommend the changes are to be concentrated for a FY22 implementation. However, it must be noted that there are elements of this change that will result in significant operational changes particularly as embedded networks for other jurisdictions have rebates managed directly by governments.</p>
<p>Seniors Energy Rebate (SER)</p>	<p>5.1 Do you see any barriers to directing your eligible customers for SER to the ServiceNSW website by their preferred means of communication if they make inquiries about energy rebates?</p> <p>5.2 How would you be able to note in your system that a customer has been referred to ServiceNSW to apply for SER?</p> <p>5.3 Do you foresee any issues in relation to providing SER customers consumption data once the rebate is applied to bills post 1st July 2022 as part of the biannual rebate data reporting?</p>	<p>As retailers do not administer SER, eligibility requirements would be challenging to identify and signpost individually. Due to the CRM configuration, the ability to flag a customer would be a system implementation that would require specific logic to be inbuilt and defined to remove as there would be no visibility if the referral was successful to then remove the flag from the account. This information can be recorded in CRM in the contact notes but this would not be an appropriate approach if there are expected to be reporting obligations.</p> <p>While we do not foresee any serious issues in providing consumption data for July 2022, we do not see what need there is for collecting and reporting on this information. All changes come at a cost to retailers and should not be implemented without a clear benefit (after considering the costs).</p> <p>In summary, we do not support the proposed changes as there does not seem to be a clear case in requiring such a system change. We have our own methods for tracking customer matters (such as Ministerial inquiries – as was raised as an example in the Retailer Workshops hosted by The Department) so we do not believe a flag is necessary.</p>
<p>Energy Switch (NSW comparator website)</p>	<p>6.1 Do you see any barriers to signposting Energy Switch in the Code?</p> <p>6.2 Do you agree with the proposal to mandate that Authorised Retailers provide any data required by the Department for the purpose of Energy Switch? This includes data already provided by authorised retailers to the AER on pricing and plans for on-market customers and may include other relevant information including new emissions data reporting as committed under the NetZero Plan, subject to identifying the nature of this data and transitional arrangements.</p>	<p>We support the amended proposal that will ensure the Department utilise existing agreements and arrangements with the Australian Energy Regulator (AER) to obtain product information for Energy Switch.</p> <p>We do not support any proposal or process that would create additional regulatory burden on retailers in relation to product information. We already provide product information through to the national regulator. Further, the Consumer Data Right will soon introduce public API access (known in the banking sector as Open Banking Product Reference Data) for third parties directly to product information that is provided to the AER by retailers. This will greatly increase the efficiency of other bodies seeking product information from the AER’s comparator website or the Victorian equivalent. This will mean two product information requirements on retailers (national and Vic specific as the EME does not provide Vic offer information). We do not agree with requiring retailers to provide any additional information for the purposes of plan reporting, until such time that a clear cost-benefit analysis is undertaken to determine whether this requirement is necessary.</p>



<p>LPG Gas bottles</p>	<p>7.1 Do you foresee any issues with asking electricity rebate customers if they have LPG bottles? 7.2 Would it be possible for retailers to note on your database/systems that a customer has an LPG bottle and is potentially eligible for a GR as this is already embedded in the rebate data collection template?</p>	<p>We do not support the NSW Government proposal to require retailers to inform customers of LPG Gas rebates. The business responsible for the provision of LPG gas should be required to provide this information to customers, whether they are a traditional energy retailer as well or fall under another business structure. AGL is not a provider of LPG and we have no ability to service or assist customers post the question on LPG. This function is not in scope for our retailing services and it is not appropriate to place this obligation on non-LPG providers. This would result in a poor customer experience and complicate services for our call agents. From a systems perspective, we would need to build the functionality to allow a flag for LPG customers that would require specific logic to be inbuilt to our CRM to cater for all possible scenarios (e.g. moving properties and defined to remove) which results in pure compliance costs for non-LPG providers. We are happy to provide a link to information about the LPG rebate information voluntarily on our website but do not support this recommendation or regulation to this effect.</p>
<p>Solar for low income homes (SLIH)</p>	<p>9.1 The SLIH scheme is currently limited to a small number of regions and as such, do you envisage any issues around advising eligible customers of the Scheme? 9.2 How would Retailers ensure that the current interface via SharePoint folders is appropriately managed to ensure SLIH participants do not receive the LIHR and the LIHR is stopped for 10 years. 9.3 Do you foresee any issues with reinstating the LIHR after 10 years or in the event of an exceptional circumstance? 9.4 Would you be able to record on your system that a customer has been referred to the SLIH scheme? 9.5 Do you foresee any issues in relation to providing SLIH customers' consumption data as part of the bi-annual rebate data reporting?</p>	<p>SLIH is an important government initiative to enable access to affordable clean energy to eligible households. We recognise this is not automatic eligibility, but we do not support requiring retailers to advise on eligibility for a scheme that they do not administer or control. This issue was clearly communicated by retailers during the initial workshop held on 29 October 2020. The issues raised during this workshop include</p> <ol style="list-style-type: none"> 1. The significant financial investment on the customer side which requires independent advice (not within the scope of retailer role) 2. Stringent training obligations for our staff in relation to what would be considered eligible. 3. Poor consumer experiences relating to retailers promoting something that they do not administer. 4. Risks relating to potential perception of financial advice being provided. <p>Due to the CRM configuration, the ability to flag a customer would be a system implementation that would require specific logic to be inbuilt to cater for all possible scenarios e.g moving properties and defined to remove as there would be no visibility if the referral was successful to then remove the flag from the account.</p> <p>To implement the solution on receiving LIHR is also a significant system change as concession information is stored at a customer level and logic caters for one concession to be applied across applicable fuels and all other application concession types. To end LIHR in our system would also end other eligible concessions NGR or LSC/MER so would need to create a new system logic to hard lock LIHR for 10 years. This would also need to change to be able to report on in invoicing as required or within the NSW Social Code Bi-Annual reporting as the customer would be considered an inactive concession holder.</p>



<p>EAPA eligibility criteria</p>	<p>10.1 Do you have any questions or concerns with adding the following customer eligibility criteria for EAPA to the Code? 10.10 What elements would you consider are or are not appropriate for the Code? 10.11 Are there any additional elements?</p>	<p>We do not have any major concerns with amending the eligibility criteria to make it clearer, however we do question whether EAPA vouchers should be restricted to the most recent bill and not aged debt.</p> <p>Government assistance should be available for a range of circumstances, and the EAPA voucher should be accessible to customers who meet the financial eligibility whether or not that debt is aged. We therefore do not support 10.6 for EAPA vouchers to only be applied for current charges. We do not believe this will support positive consumer outcomes and government payments and supports such as the EAPA should be available to eligible consumers, irrespective of the debts age.</p> <p>Further, if the Department is proposing to only apply EAPA to the current charges or that EAPA cannot be provided if the customer has not experienced a short-term crisis (which cannot be validated by the retailer), this will need to be ascertained by the EAPA provider to ensure their assessment of eligibility is correctly determined and would not be considered the fault of retailer if the information was provided correctly.</p> <p>We therefore encourage the Department to consider aligning or shifting these proposals directly with EAPA providers who are responsible for determining eligibility. ⁴</p>
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<p>EAPA providers notifying retailers of EAPA appointments</p>	<p>11.1 What concerns do you have about recording on a customer's records when a third party notifies of an EAPA appointment without a customer? (Noting Retailers are not required to provide customer data to the EAPA Provider during this call.)</p> <p>11.2 Do you consider this would benefit or complicate your internal processes?</p> <p>11.3 What are some alternative options so that a customer does not get charged late pay/get disconnected if an EAPA Provider has advised they have an upcoming EAPA appointment?</p> <p>11.4 Do you foresee any issues with placing a hold on disconnections until the appointment date?</p> <p>11.5 What information would you require to identify it is an approved EAPA Provider?</p>	<p>There are a range of reasons why a customer may contact a retailer, such as queries, or to ask for assistance. These are important touch points that allow the retailer opportunities to understand customer circumstances and see if additional support is required.</p> <p>We do not believe it is appropriate to allow EAPA providers to contact retailers without the customer present, irrespective of whether we provide customer information to the EAPA provider or not. There will need to be certain information received to ensure the right customer account is noted with this information – this would be information not provided by the customer or an authorised representative.</p> <p>Such a requirement would further complicate internal processes, as we would need to train frontline, build an operational process to flag/lock customers' accounts for the period up until the EAPA appointment is held, require notification to ensure all flags/locks can be appropriately removed to then assess any other customer impact/needs.</p> <p>Other factors must also be considered, such as where an appointment is delayed or rescheduled, or to understand the outcome of an appointment. This will create further administrative burden for retailers in maintaining an effective communication loop with a third party.</p> <p>Finally, a unique approved EAPA ID process would need to be implemented to ensure that only these providers have this information and can engage in appointment setting.</p>
<p>Reference to AER's Customer hardship policy for EAPA customers</p>	<p>12.1 Do you agree with the Department's proposal to mandate that Retailers inform customers of hardship plans that may be available to them as part of the EAPA process?</p>	<p>The AER are responsible for administering the Hardship Policy Guideline. We strongly encourage the Department to engage with the AER to seek amendments to the guideline for this type of change. We do not support inconsistent state-based regulation where there is currently a national instrument that can be utilised.</p> <p>Any customers receiving EAPA who are either already on AGL's hardship support program, or who have been on it previously have received information from AGL which includes information on where to find additional supports.</p>
<p>EAPA retailers to only claim admin fees for applied EAPA transactions</p>	<p>1. Do you agree with the Department's proposal that admin fees for EAPA transactions should only be claimed for transactions that have been applied?</p> <p>2. What do you consider are the administration costs for 'Not Found' or 'OverCredit' transactions?</p>	<p>We agree that admin fees at the rate of 0.80cents should be provided for successful transactions, however Not Found or Over Credit are in most cases not retailer error and require additional validation on the retailer side to confirm the reason for 'Not Found' which is a cost to the retailer.</p> <p>Given the successful transactions have been internally automated by AGL, the manual validation process of 'Not Found' or 'OverCredit' responses is considered at a higher cost to validate as requires manual review so would suggest either the admin fee for successful transactions is reduced and manually validated transactions are increased.</p>



<p>Charges accrued over most recent 12 months</p>	<p>14.1 Do you foresee any issues with the Department's proposal to clarify the circumstances in which EAPA vouchers can be used?</p>	<p>Due to billing configuration of debt but also the intention of EAPA, it would not be viable to mandate how EAPA is to be applied, as long as the EAPA provider has successfully validated the customers financial situation, the control over this is not in retailer's scope to determine how it is facilitated on their account.</p>
<p>Require retailers to inform customers of better offers</p>	<p>15.1 Do you agree with the Department's proposal to mandate Retailers to advise EAPA customers of any offers that could be better for them than their current offer? 15.2 How would you implement this change across your business systems and customer service teams? 15.3 Will this change your current business practices? 15.4 Do you consider this change will impact customers? If yes, how? Would you suggest any additional elements to this provision to facilitate better outcomes for customers?</p>	<p>EAPA is a one-off payment and differs from the other best offer obligations currently under the Code. We have best offer arrangements in place for system flags we have on a customer's account. The EAPA process would require a new build that is able to introduce this logic through receipt of a voucher. This is not a simple solution and would need to be developed outside of our existing arrangements, as such we would encourage an appropriate cost-benefit analysis to be undertaken to see if this is a necessary policy change. Given the limited consultation period we are unable to provide indicative costs for such a change, but we expect it would take at least 6-9 months to develop, test and implement.</p> <p>Should the Department continue with this recommendation, further information must be provided to stakeholders, such as what exceptions to obligations will exist to minimise retailer cost and reduce the risk of customer-overload from communications (e.g. a customer may receive EAPA and also another NSW concession). We encourage a limit on the number of times this can be triggered in a year to two (however we still do not believe this should be introduced as a requirement at this time given our above comments).</p>
<p>Costs as a result of Retailer error</p>	<p>Various questions relating to costs and retailer impacts.</p>	<p>In the first instance, we encourage the Department to consider how often these matters arise and whether the cost of creating a system to address them outweighs any potential benefit they may deliver. In general, we believe more information needs to be provided on these points and as such our response is limited:</p> <ol style="list-style-type: none"> 1. The current scope of this change is unclear, and we request additional information from the Department on whether this is administration of EAPA post approvals provided, or in determining EAPA eligibility. More information on what would be considered a retailer error is required as well - as many "Not Found/Rejected" responses are on the customer/EAPA side due to incorrect information input. 2. As above, the scope of this change is unclear as to how a customer will be reimbursed or in terms of contacting a customer needed another appointment. 3. If retailer error is identified through the administration of a EAPA in the automation program, then this would be rectified timely.



Medical Energy Rebate (MER)	Various questions relating to MER.	While we generally support further clarity on MER applications, it is important to ensure there is consistency across application. We note that the example shared in the Department consultation was in the scenario of a MER recipient who was not the account holder, however should the account holder move properties, is there a verification process for the MER recipient to confirm they are also residing at the property? As MER is not automatically transferred over to the new address, we require the customer to submit a new application so this validation occurs however if the amendment differs, then further information will need to be provided to help retailers understand the departments requirement for this process or any other MER processes that have been suggested.
Family Energy Rebate (FER) checking for secondary account holders	Various questions relating to FER.	AGL/PowerDirect CRM does not cater for secondary account holders in which the primary account holder is the only person registered on the account. The account holder can nominate a contact person however does not hold the same financial capacity/responsibilities as the account holder, therefore it would not be feasible (nor within the scope of the duties of an authorised representative) to conduct check for FTB on this person. We currently provide information to consumers on FER on our website. ⁵
FER – mandate retailers check for LIHR eligibility	21.1 Do you agree with the Department's proposal to mandate that Retailers check for LIHR eligibility as part of the FER application process?	We do not agree with the proposal due to same limitations with the above recommendations, but also that LIHR checks are already conducted on multiple fronts during normal customer billing journey independently of FER. If this change was to be implemented, this would be challenging to implement and to cater for all scenarios if the FER recipient is not the account holder. However, the account holder has concession already or if account holder does not hold a concession card, would need to engage customer in having the account changed into their name to take financial ownership in which the customer may not wish to do this.
Invoicing and payment – extend current provision to allow Department to cross check the	23.1 Do you foresee any issues relating to collecting data permission from customers at point of sign up? 23.2 What are the recommendations for customers who have already provided their consent?	As consent is already obtained to validate concession information with Services Australia which is clear in why this validation is required, the requirement to request a secondary consent piece for the user of data collection with The Department may be of concern and harder to implement when it is specific to NSW only. There may also be concerns raised by customers enquiring why this information is being collected and for what purpose in which retailers do not have a view or can comment on. This would not result in a positive consumer experience and may cause further distrust of energy retailers on a matter they do not have control over.

⁵ <https://www.agl.com.au/help/payments-billing/energy-concessions-rebates-grants> (ensure location is set to NSW)



CRN at point of invoicing	23.3 What are the implications for customers who, in lieu of consent, provide a Confirmation of Card Entitlement letter?	Consent is also not easily recordable for this purpose, as AGL specifically have implemented system changes to cater for Concessions Validation consent. We would recommend that the Department obtain this directly internally or through Services Australia and not through the retailer.
Marketing requirements (toolbox)	24.1 What impact will this have on your systems and processes (i.e. cost, time, policies, plans, marketing)? 24.2 Do you consider this clarity will improve your ability to promote the Rebates? 24.3 What challenges do you envision will arise when implementing this change? 24.4 How can the Department support transition to this toolkit? 24.5 What timeframes would you consider reasonable for implementing this change?	As part of the sign-up process, customers are asked about concession eligibility in which action is taken at this point, however a variety of information is included in the customers confirmation pack relating to regulated requirements. AGL/PowerDirect already include the following information on all customers invoices <i>"Payment assistance. There are a number of options available to eligible customers, including NSW Government's Social Program for Energy concessions and rebates, Energy Account Payment Assistance (EAPA), AGL payment plans and the Centrepay scheme. To find out more, visit agl.com.au/Concessions"</i> <i>If there are further changes to be made, this will be a significant cost to change this from an invoice change perspective.</i> We support a non-binding guidance toolkit, but do not believe that retailers should be curtailed in relation to consumer experience in brand, tone and communication style.
GST	26.1 How do you currently apply GST to Rebates? 26.2 If you do not calculate GST the way the Code prescribes, please explain the reasons why. 26.3 Have you ever noticed any discrepancies in relation to the application of GST and invoicing?	GST is calculated post all required usage/supply and discounts and is separately calculated and is a separate line item added to the total. Example below: <i>Usage and supply charges Unit s Price Amount</i> <i>General Usage</i> <i>General Usage 1225kWh \$0.289 \$354.03</i> <i>Supply charge</i> <i>Supply charge 99 days \$1.42 \$140.58</i> <i>Other charges</i> <i>Visa Debit Card Payment Fee \$1.15</i> <i>Total charges + \$495.76</i> <i>Credits</i> <i>Low Income Household Rebate \$77.30cr</i> <i>26%Pay On Time Discount \$92.05cr</i> <i>Total credits - \$169.35cr</i> <i>Total new charges and credits = \$326.41</i> <i>Total GST + \$32.64</i>



		<p style="text-align: center;"><i>Final amount = \$359.05</i></p> <p>We have not observed any discrepancies in GST calculation as this is built into the billing system's algorithms based on GST invoicing regulations.</p> <p>If the Department requires AGL to calculate GST in a different manner it will be a significant cost to implement, across our system adjustments, staff training, updated customer communications etc.</p> <p>We do not consider any changes need to be made to this process and we refer to our comments regarding ACCC REPI recommendations and nationally consistent approaches.</p>
<p>Faster Switching</p>	<p>Various questions on potential impacts from Faster Switching.</p>	<ol style="list-style-type: none"> 1. AGL have been seeking guidance from the Department on how this process should work given the limitations in how rebates are administered due to social code requirements. For example, retrospective Move In's, will mean a retrospective concession backdate which can only be applied in today's world where a retailer error has occurred, so need to understand further what the Department's view is on how this is administered and if this would be permissible. 2. Faster Transfer processes expedite customers billing journeys between retailers so invoicing issues may occur where a retrospective backdate reverses concessions applied and in which the new retailer will submit a request to have this retrospectively applied. For prospective transfers, this would be identical to a Move In process. EAPA may present issues if a customer has switched retailers during a EAPA approval period in which a rejected response will be provided to the Department. For retrospective transfers, this may cause complexities if EAPA credits previously applied are reversed and reimbursed back to The Department however the new retailer may require that same EAPA credit to be applied without the customer requiring approval so administration of this may be complex. 3. LSR and MER considerations need to be made in relation to AEMC proposal so dependent on that implementation will determine how this impacts Faster Transfers process. 4. This will be an issue for SLIH given this is still only in a trial period and is manually administered currently. The Department however have advised that SLIH customers need to advise them when they are changing retailers so that they can provide the updated information to the current retailer so assume this process will remain. It is therefore our position that the Department should own the process for this, not retailers. <p>We welcome the opportunity to attend a workshop and continue discussion on both high-level and detailed reviews of impacts from proposed changes.</p>