Welcome to the October edition of our e-newsletter updating you on the progress of our inquiry into how energy retailers assist customers who are facing financial difficulties to pay for their energy while remaining connected.

Chairperson's update

Over the past month we have been travelling around the State seeking community input into the proposals put forward in our draft report – Supporting Customers, Avoiding Labels. The public forums have had representations from financial counsellors; disability advocacy groups; local consumer groups; local government and members of the public.

We have been very grateful for the constructive nature of the discussions and the issues that were raised. As a result, the Commission is considering some changes to the proposed framework to better reflect the types of payment difficulties experienced by customers. These changes will be reflected in our Final Report, which is due at the end of the year.

The public forums revealed broad support for the principles underpinning the proposed framework. Our discussions also highlighted the need for further work on a range of details such as:

› Connecting with CALD communities
› Flexibility in the timing and the form of the assistance for the most vulnerable customers
› Building partnerships between industry and the community sector
› How businesses best identify concession card holders
› Making customers aware of their rights under the framework

The issue of assisting those in chronic hardship, who will never be able to cover the cost of their energy use has also been a consistent theme. While energy affordability is outside the remit of this inquiry we are confident that the increased monitoring embedded in the proposed framework will provide valuable data for a broader social policy discussion within other spheres of government.

As was flagged in our last newsletter, we are establishing technical working groups to help us with the details of our proposal. We have now finalised the members of those groups and the first meetings will be held shortly.

Thank you to all those who have participated in the forums and all those who have provided submissions. I am confident that the collaboration and good will that we have experienced throughout this Inquiry will result in a framework that delivers successful outcomes for consumers and industry.

Dr Ron Ben-David
Chairperson

Developing the detail together

Collaboration between the Commission, industry and the community sector will be the key to making the proposed framework work. We invited expressions of interest from those with the relevant expertise to help us develop the detail of the proposed model. We have now finalised the membership of each of the technical working groups, which will examine the following issues:

› Developing the scope of the new Payment Plan Guidelines to ensure customers can easily understand what support they can expect from their retailer. This group consists of members with specific experience in supporting customers experiencing payment difficulties.

› Identifying which elements of the Energy Retailer Code (Version 11) will require changes as a result of the proposed framework. This group consists of members with specific expertise in legal interpretation of regulatory systems, management of compliance within energy businesses, and provision of legal advice to clients, whether in industry or consumers.

› Identifying how the energy management assistance provided by retailers will be integrated with other Government energy management programs such as VEET and the Residential Efficiency Scorecard. This group consists of members with specific expertise in assisting customers to manage their energy usage.

These groups will meet three times before the end of the year.

It is anticipated the specific detail to be contained in the Guidelines and the changes to clauses in the Energy Retailer Code will not be drafted until after the Final Report is completed in December.

To contact the Financial Hardship Team, email energyhardshipreview@esc.vic.gov.au