



18 June 2021

Sarah Sheppard
Executive Director, Energy
Essential Services Commission
Level 8, 570 Bourke Street
Melbourne VIC 3000

Via: Engage Victoria

Dear Sarah

Getting to fair: breaking down barriers to essential services

CitiPower, Powercor and United Energy welcome the opportunity to comment on the Essential Services Commission's (ESCV) draft strategy relating to 'Getting to fair: breaking down barriers to essential services'.

We support the ESCV's aim of the 'getting to fair' strategy to create a fairer more equitable access for all Victorians, regardless of which regulated service they use, and to help co-ordinate the approach to breaking down the barriers to essential services consumers, particularly those vulnerable, can experience.

We also support in principle, the initiatives proposed by the ESCV for the energy sector, in particular:

- using industry education to support better practice approaches to have a consistent understanding of vulnerability and how to better communicate with consumers experiencing barriers to access
- hearing the voices of consumers experiencing vulnerability to better inform reforms and monitoring of the energy sector market.

Distributors have a key role in managing vulnerable customers wherever our assets and activities impact customers, primarily during times of unplanned and planned outages. In response to the draft strategy, we note:

- the number of vulnerable customers may increase as the market becomes more complex
- we support education initiatives that result in improved outcomes for vulnerable customers
- we continue to listen and respond to the needs of vulnerable customers in setting our company's direction, and in improving our communications with our customers.

These matters are discussed below.

Vulnerability may be increasing in the market

We note that what constitutes a vulnerable customer can be subjective or depend on the circumstance. Vulnerability is a lot broader than financial hardship, and includes culturally and linguistically diverse (CALD), the elderly, the under-educated, those with impairments or otherwise unable to access energy literacy, victims of domestic violence, life support customers or any other customer with a specific need.

As the energy markets become more complex, there will be an increasing number of vulnerable customers who may not understand the market. The electricity market is evolving with new players emerging, such as market aggregators. Their offerings to retail customers may not be able to be run through a comparison website, such as Victorian Energy Compare, so it may be difficult for people to understand. Future market offerings may also expose customers to volatile and complex wholesale and ancillary service markets, increasing their vulnerability. This will require greater information and education to the community by the government and the energy sector.

We support education initiatives that result in improved outcomes for vulnerable customers

We support the ESCV's proposed use of industry education to support better practice approaches. These appear to focus on vulnerability (including family violence) and hardship policies developed and delivered (incorporating findings from review of the payment difficulty framework).

Some of these measures are focused on retailers, who are primarily accountable for vulnerable customer management.

Distributors have clear visibility of life support customers. The life support customer provisions are intended to support the most vulnerable members of society with managing the physical loss of electricity to their medical equipment. We may also conduct welfare checks on life support customers after unplanned outages or in emergencies. Life support customers are clearly defined in the regulations, involving certification from a registered medical practitioner. We have clear visibility of these customers, as the B2B process contains a Life Support Notification (LSN) transaction.

We support initiatives where the energy supply chain can come together to improve our support of, and communication with, vulnerable customers. We note the industry recently came together to discuss and implement the best way forward to identifying Family Violence customers in our systems without breaching their privacy requirements.

We continue to listen, respond and support vulnerable customers

We recognise the importance of delivering for our most vulnerable customers. Some of our current initiatives include:

- Gavin Dufty from St Vincent De Paul and Emma Chessell from the Brotherhood of Saint Lawrence being members of our Customer Advisory Panel (CAP) to ensure that vulnerable consumers views are appropriately represented and heard in what we do, including key decisions and initiatives, operational plans, regulatory and policy issues, and in developing our future program of works
- we have launched a public set of customer commitments, key amongst which is a focus to ensure important external communications are accessible to CALD communities and translated to the top five languages other than English in Victoria (Mandarin, Italian, Greek, Vietnamese and Arabic)
- strongly advocating, along with our CAP, for a focus on the customer protection framework to accompany the Post 2025 NEM reforms. We believe without these protections, the number of potentially vulnerable customers will increase driven by the enormous complexity the Energy Security Board is proposing to introduce.

We are happy to further explore and discuss the ESCV's 'getting to fair' strategy on regulating for vulnerability to ensure distributors are included.

Should you have any queries, please contact Elizabeth Carlile on [REDACTED] or [REDACTED].

Yours sincerely,



Brent Cleeve
Head of Regulation
CitiPower, Powercor and United Energy