

VCOSS appreciates the opportunity to provide feedback to the Essential Services Commission (ESC) on proposed changes to energy retail businesses' reporting obligations under the Compliance and Performance Reporting Guideline (the guidelines).

The following feedback focuses on potential opportunities to further strengthen the fundamental contribution that the performance data gathered under these guidelines makes to monitoring and improving consumer outcomes in the Victorian energy retail market. This data enables the ESC to fulfil its regulatory obligations with respect to both retailer-specific and market-wide compliance. Importantly, it also provides a critical shared fact-base for system-level assessment and continuous improvement in energy market regulations and practices.

Given that context, VCOSS supports the proposal in the draft decision to formally incorporate ongoing performance indicator data on deferred payments, missed bills, and amount of arrears (based on the 2020 voluntary COVID-19 data collection). Noting that the ESC is also currently undertaking an implementation review of the first two years of the energy Payment Difficulty Framework, VCOSS encourages the ESC (across these two processes) to also identify any emerging information needs on cross-cutting issues that may require additional indicators in future years.

Based on VCOSS' general understanding of the scope, content, and operations of current guidelines and market reports, we would suggest two potential changes that would provide high-value information on key priority areas for improved market-based consumer outcomes.

Firstly, the current performance indicator on the count of residential electricity customers who received a "best offer" notice on their bill could include a supplementary indicator identifying how many of those customers were currently receiving a State Government electricity concession. At both the individual retailer and market-wide levels, this supplementary indicator could give the ESC (and other stakeholders) useful insights on trends in relation to effective consumer engagement in accessing entitlements and supporting ongoing affordability for this cohort. The ESC may further want to consider the merits (through these guidelines or otherwise) in obtaining a de-identified geographic breakdown (i.e. by postcode) on this supplementary indicator, to identify local communities for additional consumer education initiatives.

Secondly, and at the other end of the affordability-arrears spectrum, the absence of any performance indicators on a retailer's initiation, online submission and/or application of Utility Relief Grants would appear to be a striking omission from the guidelines. While recognising that there are clearly direct arrangements in-place (and related information-flows) between retailers and the Department of Families, Fairness and Housing, there is a strong argument for the ESC also transparently gathering some key data on the volume of applications and efficiency of retailers' performance in this context.