



PO Box 4136
East Richmond VIC 3121
T 131 806
F 1300 661 086
W redenergy.com.au

PO Box 4136
East Richmond VIC 3121
T 1300 115 866
F 1300 136 891
W lumoenergy.com.au



15 September 2022

Ms Lauren Taborda
Project Leader
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2001

Submitted electronically

Dear Ms Taborda,

Re: Delaying implementation of the AER Billing guideline - RRC0046

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to make this submission to the Australian Energy Market Commission (the Commission) to delay the commencement date of the Australian Energy Regulator's (AER's) Better Bills Guideline (the Guideline).

Red and Lumo support the delay to the commencement date of the Guideline to 30 September 2023. When the Commission made the decision to establish the Guideline in the National Energy Retail Rules (Retail Rules), it permitted the AER to have flexibility in setting multiple commencement dates for the Guideline. The proposed amendment by the Australian Energy Council, retains this flexibility. As it ensures that a change in the final commencement date as stipulated in the Retail Rules does not affect retailers who may choose to comply with the new Guideline from 31 March 2023 (or earlier).

Flexibility in commencement drives better customer outcomes

Red and Lumo consider that there are multiple benefits in delaying the commencement date and do not see any negative outcomes for customers. As a delay in the commencement date of the Guideline provides the opportunity to undertake additional activities associated with the design and implementation of its new bills. We foresee that the additional time will allow for greater engagement with customer focus groups in testing and assessing the new bill design and associated educational material. This will allow Red and Lumo to continue placing customers at the centre of our decision making, which can only lead to delivering a positive outcome for our customers.

We support the assessment framework proposed by the Commission. Delaying the commencement of the Guideline in the Retail Rules will result in additional time to undertake

further activities. These will focus on providing a more positive outcome for small customers and mitigate any potential negative impacts as we transition to a new bill design.

When assessing the rule change request, the Commission could also assess the complexity in the redesign of the energy bills. To date, we have identified a number of complexities and scenarios that affect the presentation of information on a customer's bill under the Guideline. These include combinations of multiple meters, tariffs, fuels and sites. Requiring retailers to undertake a change of this magnitude in a short time frame without due consideration for all variations and variables will invariably lead to poor customer impacts. Considering the unprecedented challenges that have taken place since the Commission set the timeframes for implementing the Guideline, providing flexibility will only deliver a more positive customer experience outcome. In particular, extending the deadline continues to provide the flexibility for retailers who are ready to deliver earlier an ability to do so under the Guideline.

About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in South Australia, Victoria, New South Wales, Queensland and the ACT to over 1.2 million customers.

Red and Lumo thank the Commission for the opportunity to comment on the consultation paper. Should you wish to discuss or have any further enquiries regarding this submission, please call Christophe Bechia, Regulatory Manager on 0414 183 880.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Stefanie Monaco", written over a light blue rectangular background.

Stefanie Monaco
Manager - Regulatory Affairs
Red Energy Pty Ltd
Lumo Energy SA Pty Ltd