



**THE HON CHRIS BOWEN MP**  
**MINISTER FOR CLIMATE CHANGE AND ENERGY**

MS24-001246

Ms Anna Collyer  
Chair  
Level 15  
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SYDNEY NSW 2000

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Dear Chair *Anna*

Please find attached a package of rule change proposals to amend the National Energy Retail Rules to help households access cheaper energy deals, increase support for people experiencing hardship, and deliver more protections for consumers.

These necessary changes are recommended by the Energy and Climate Change Ministerial Council (ECMC) which on 19 July agreed that I submit the attached package to the Australian Energy Market Commission (AEMC) in my capacity as Chair of ECMC. This package was developed in response to findings presented to Energy Ministers in March 2024 by the Australian Competition and Consumer Commission (ACCC), the Australian Energy Regulator (AER) and Energy Consumers Australia (ECA) that there are aspects of the east coast regulatory framework that could be strengthened to better serve the interests of electricity consumers.

I endorse these rule change requests and ask that the AEMC urgently progress with their initiation, prioritising those proposals which are most urgent and have the highest expected impact, as agreed by Energy Ministers. These are: 'improving the ability to switch to a better offer,' 'ensuring energy plan benefits last the length of the contract,' 'preventing price increases for a fixed period under negotiated market retail contracts,' and 'assisting hardship customers.'

As the Commonwealth Minister for Climate Change and Energy, I also request withdrawal of the pending rule change request 'long-term standing offer notice', as it is now superseded by the attached package of rule change requests.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Chris Bowen', written over the words 'Yours sincerely'.

CHRIS BOWEN

# Improving the application of concessions to bills

## Request to make a rule

### Name and address of the person making the request

The Honourable Chris Bowen MP  
Minister for Climate Change and Energy  
Parliament House  
Canberra ACT 2600

### Statement of issue

The National Energy Retail Rules (NERR) require energy retailers to provide hardship customers and other residential customers experiencing payment difficulties with information about the availability of government funded energy charge rebate, concession or relief schemes (see [Rule 33](#), [rule 64](#) and [rule 141](#)). However, the onus to act to ensure a concession rebate is applied to a bill is on the consumer.

The Australian Energy Regulator's (AER) [Game Changer Report](#) noted information and capability gaps that make it hard for consumers to get the assistance they need.

It also noted third-party research that estimated that significant numbers of consumers are eligible for concessions, but for various reasons do not receive them on their energy bills (31% in the Australian Capital Territory, 35% in New South Wales, 29% in Queensland, 38% in South Australia, 19% in Tasmania, and 7% for electricity and 12% for gas customers in Victoria).<sup>8</sup>

There are three scenarios where portability of concession information is relevant:

1. A consumer switches retailers while eligible for an energy concession.
2. A consumer becomes eligible for an energy concession while holding an energy account.
3. A person becomes a first-time energy consumer while eligible for an energy concession.

Reducing or ideally removing the onus on consumers to ensure they receive the concessions and rebates they are entitled to will have tangible benefits for consumers and improve trust and engagement in the sector. Retailers are not currently obliged to ask if someone is eligible for a concession-based discount on their bill and, in some cases, it can be the responsibility of the consumer to alert their retailer if they are or have become eligible for a concession. The Australian Energy Market Commission (AEMC) will need to consult with jurisdictions and consider how any obligation could be drafted that will not introduce any unnecessary or duplicative requirements on retailers where a jurisdiction's existing processes already address the objective of this rule change request (i.e. to remove the onus on consumers to notify retailers about their eligibility for a concession or rebate).

### Background

The AER's [Game Changer Report](#) called for concession and rebate system upgrades in the energy sector to automate the application of rebates and discounts to eligible customers' bills. The AER noted that due to the separation of concession eligibility bodies and energy retailers, information sharing between organisations is required to identify eligible consumers, confirm their eligibility and

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<sup>8</sup> [Game Changer Report - November 2023 \(aer.gov.au\)](#) p 4, citing [Mind-the-Gap Report Update-1011.pdf \(cprc.org.au\)](#) p 10.

apply concessions to their energy account. This raises issues in relation to both privacy and explicit informed consent and would also require significant changes to government information technology systems and retailer market systems. While this may warrant consideration as a longer-term solution, the rule changes proposed below would help improve the issue of consumers not receiving the concessions and rebates they are eligible for in the short to medium term.

### Description of the proposed rule change

An obligation could be placed on retailers to proactively seek information from any new (and on the rule taking effect, existing) consumers on their eligibility for energy concessions or rebates. This would act as a prompt to identify consumers who are already eligible for concessions but may not be receiving them. As noted above, the AEMC will need to consult with jurisdictions and consider how an obligation could be drafted to ensure it does not introduce any unnecessary or duplicative requirements on retailers where a jurisdiction's existing processes already address the objective of this rule change request (i.e. to remove the onus on consumers to notify retailers about their eligibility for a concession or rebate).

Additionally, a new obligation could be introduced requiring information transfer between retailers when a consumer switches retailers. This initial transfer of information would be required to include a field identifying the NMI as being associated with a retail contract as one with an active concession. This would obligate the incoming retailer to request relevant eligibility data from the customer, with subsequent validation by the incoming retailer. This would provide retailers a method of checking if any customer with ongoing concession eligibility is in receipt of that concession and would also provide a reportable metric to allow for AER oversight.

It is noted that this process would not in and of itself cover the situation where a consumer has both moved houses and changed retailers, as NMI data is associated with a meter rather than a customer. The Australian Energy Market Commission (AEMC) will also need to consider implementation issues and if any safeguards are required in situations where a new customer moves into premises where the NMI is associated with a concession (for example, requiring that field to be updated).

The AEMC would need to consult with retailers, Services Australia and other government and non-government stakeholders on the specific data which would need to be shared between parties to enable sharing of concession eligibility information. Stakeholders have suggested that while limited NMI data is shared between retailers when a customer moves from one retailer to another, this process is not designed to transfer customer data. It may not be straightforward for retailers to establish a system to transfer a data field identifying that a customer had been receiving a concession or add additional data streams to the existing business-to-business platform. Any such process would also need to consider that consumer data and NMI data are not treated the same way by the NERR and related legislation including the Consumer Data Right, and a process designed around the sharing of NMI data may not be appropriate for consumer data.

### How the proposed rule change will address the issue

The proposed changes would introduce an obligation on retailers to proactively seek information from consumers on their eligibility for energy concessions or rebates, subject to requirements or processes that may already be in effect in jurisdictions that remove the onus on consumers to provide this information. This would improve the uptake of concessions amongst those who may be unaware that they are eligible for a concession or that concessions exist.

Information transferred between retailers would also identify a NMI as associated with a retail contract that had a concession applied. This would prompt retailers to request eligibility information

from the consumer and validate this information. This would reduce the number of customers who no longer receive their concessions because they did not reapply after changing retailers.

The proposed changes may be of limited impact in the scenario where a customer becomes eligible for a concession while holding an energy account.

### How the proposed rule change will or is likely to contribute to the achievement of the National Electricity Objective

The National Energy Retail Objective (NERO) set out in the *National Energy Retail Law* is:

“To promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity with respect to:

1. price, quality, safety, reliability and security of supply of electricity; and
2. the reliability, safety and security of the national electricity system; and
3. the achievement of targets set by a participating jurisdiction—
  - i. for reducing Australia's greenhouse gas emissions; or
  - ii. that are likely to contribute to reducing Australia's greenhouse gas emissions.”

The relevant aspect of the NERO for this request is the price of energy services in the long-term interests of consumers of energy. An obligation on retailers to request concession information will ensure consumers are receiving the correct price for energy in accordance with personal information. Improved sharing of concession information will increase the efficient operation of the energy system when a consumer switches to a new energy provider, ensure ease of transition and correct price point is being charge to customers.

### Expected costs, benefits, and impacts

#### Expected benefits

Some consumers may benefit from reduced transaction costs to ensure the concessions and rebates they are entitled to are applied to their energy bills.

#### Expected costs

For retailers:

There will be minimal cost to retailers to ask new consumers about their eligibility for concessions or rebates, and in fact some retailers already do this. The AEMC will need to ensure any obligations do not result in unnecessary or duplicative requirements as result of existing jurisdictional processes.

There may be costs associated with introducing a new field to retailer systems to indicate a NMI is associated with a concession or rebate.

#### Expected impacts

The AEMC will need to consult with retailers on current systems and an appropriate implementation mechanism. Consideration will need to be given to the sharing of sensitive customer information and associated privacy considerations. Any obligation will need to be drafted in a way that does not introduce unnecessary or duplicative processes or requirement.