



Prepared for: Australian Energy Market Commission

Purpose: Response to 'Improving the application of concessions to bills' proposal

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Overview

It is important that retailers proactively seek information from consumers on their eligibility for energy concessions or rebates. However, it shouldn't only be left to retailers as some concessions or rebates could be flagged by other parties, including Services Australia and health care professionals. A coordinating body could collect information from multiple parties and flag customers who are eligible for concessions. A specific example are life support rebates, which could be triggered by information provided to a central agency at the time a person is discharged from hospital with life support equipment. This should be a national coordinator working with State and Territory partners to ensure that regional differences do not prevail, and vulnerable customers do not miss out.

Question 1: What are the key barriers to consumers not receiving concessions or rebates at sign up?

What concessions and rebates apply to whom and where is complicated. There is no way for people to look up where they live and confirm what applies to them. Mapping these energy concessions or rebates will be important, so people can confirm what applies to them or their family.

I am unaware of a mapping exercise that provides this information to consumers and industry players. There has been a mapping of regulatory differences, which can be extreme. It is concerning that energy regulation disparities include life support protections, guaranteed service levels, and disconnection reporting requirements. White et al. (2024) assessed whether communities receive five types of protections¹. These are: life-support protections, guaranteed service levels, clear solar connection processes, disconnection reporting requirements, and complaints process clarity and independence. These data are also displayed in a Guardian news article.

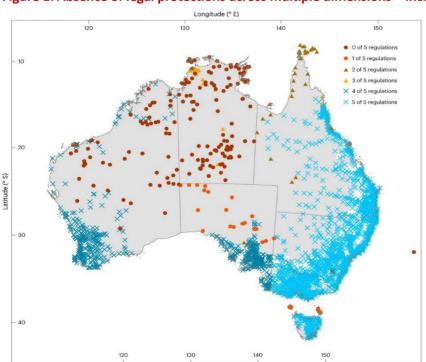


Figure 1: Absence of legal protections across multiple dimensions – including cases of zero

Source: White et al. (2024) https://doi.org/10.1038/s41560-023-01422-5





Question 2: What happens to consumer access to concessions or rebates when they transfer retailers?

I am unaware of a scheme that transfers this information.

Doing such transfers of information may require a central coordinating agency with information from Services Australia and State and Territory health departments that identifies those people who are vulnerable and can access energy concessions or rebates.

This is a key issue for life support customers – without coordination it is hard to know how many people are identified and whether this information is tracked when people change retailers. Establishing a national Priority Services Register could be a way to make sure that this information is provided to a central agency at the time of discharge from hospital, which can also feed into payment support systems in the relevant jurisdictions.

Many doctors are unaware of life support rebates, such this one in NSW https://www.service.nsw.gov.au/transaction/apply-for-the-life-support-energy-rebate-retail-customers, and a centralized PSR could be an important way to improve the process.

Question 7: Could consumer access to concessions and rebates be improved in a different or more efficient way?

Establishing a Priority Services Register (like the one in the UK) could be a core operating function of a central coordinating agency with access to information from Services Australia and State and Territory health departments.

The Priority Services Register (PSR) helps identify customers who have extra communication, access, or safety needs. It also provides a way that people can nominate someone to receive communications and bills from utilities. It provides an avenue for customers to signal that they may be at risk of greater financial hardship. This can be used to trigger hardship policies in advance of payment difficulties.

The typical PSR eligibility criteria are shown below.

People can ask to join their supplier or network operator's Priority Services Register if they:

- have reached state pension age,
- are pregnant, or have young children,
- struggle with speaking or reading English.

They can also join if you're living with a disability or a long-term medical condition, including:

- mental health conditions,
- conditions affecting your sight, hearing or sense of smell,
- conditions that mean you need to use medical equipment that requires a power supply.

It is also a possible way of registering who has had a recent change in circumstances:

- are recovering from an injury, or need support after a stay in hospital,
- have been bereaved,
- have lost your job.

These criteria indicate pathways for a central coordinating agency with information from Services Australia and State and Territory health departments to add people to a national Priority Services Register (PSR), which is then used by retailers to automatically apply the relevant energy concessions or rebates.

Note that the Treasurer has mentioned that recent energy relief: could not have been restricted to households below a certain income, because it is not possible to share the relevant information with energy companies.

https://www.abc.net.au/news/2024-05-15/energy-bill-relief-to-every-household-explained/103847656





The UK is also interesting as it provides targeted assistance via the Winter Fuel Payment, Cold Weather Payment, the Warm Home Discount, and the Child Winter Heating Payment. Some Councils have a 'Household Support Fund'. An Australian PSR would provide a way to replicate targeted assistance payments.

More detail on the PSR and the Winter Fuel Payment, Cold Weather Payment, the Warm Home Discount, and the Child Winter Heating Payment via:

https://www.thepsr.co.uk/

https://www.ofgem.gov.uk/join-your-suppliers-priority-services-register

https://www.gov.uk/winter-fuel-payment

https://www.gov.uk/cold-weather-payment

https://www.gov.uk/the-warm-home-discount-scheme

https://www.gov.uk/bills-benefits

https://www.gov.uk/cost-living-help-local-council

White, L.V., Riley, B., Wilson, S. *et al.* Geographies of regulatory disparity underlying Australia's energy transition. *Nat Energy* **9**, 92–105 (2024). https://www.nature.com/articles/s41560-023-01422-5