



Part of Energy Queensland

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Ms Merryn York
Acting Chair
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2001

Dear Ms York

RRC0036 – National Energy Retail Amendment Bill (Bill Contents and Billing Requirements) Rule – Draft Determination

Ergon Energy Queensland Pty Ltd (Ergon Energy Retail) welcomes the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) in response to the National Energy Retail Amendment (Bill Contents and Billing Requirements) Rule - Draft Determination (draft determination).

Ergon Energy Retail remains committed to its view that there is a real need for bill reform, and in particular for simpler and more understandable energy bills which assist customers in paying their bills by the due date.

The AEMC in its draft determination has recommended a hybrid approach to bill reform, incorporating rules based principles in the National Energy Retail Rules (NERR) which guide the development by the Australian Energy Regulator (AER) of a mandatory enforceable billing guideline. Our view is that such an outcome merely moves the onerous information provisions currently contained in the NERR to the new guideline. That is, it does not address the actual needs of customers or retailers with respect to bill reform.

Furthermore, we anticipate that due to the intended “flexible” nature of the guideline, changes will occur more frequently than changes to the NERR, resulting in higher retailer compliance costs associated with constantly evolving bill templates. We are also hesitant to agree with the AEMC’s suggestion that the guideline principles requiring the AER to ‘adopt a flexible, fit-for-purpose regulatory approach to billing issues’¹ will address retailer and customer concerns given our previous experience with the AER’s overly prescriptive guidelines, such as the Retail Pricing Information Guidelines. Additionally, we suggest that a “one size fits all” philosophy should not be applied to bill content and delivery for all small customers, as there is a rapidly emerging need to be able to individualise bill content and delivery to meet evolving customer expectations.

Our view is that customers primarily want to know how much they owe, the due date for payment of their bill, and the options to pay their bill. All detail included on a bill in addition to these key information requirements should be at the discretion of the retailer who must satisfy a customer’s billing and information needs or risk an increase in customer complaints, bad debt and customer churn.

¹ AEMC, Bill contents and billing requirements, Draft rule determination, 17 December 2020, p 26.

We therefore suggest the draft determination is a missed opportunity for meaningful bill reform. Aligned with regulatory reforms underway across the National Electricity Market such as five-minute settlement and the Consumer Data Right, customers will shortly have greater access to more granular energy data via digital platforms such as retailer-led customer portals. In our view, billing must keep pace with these and other regulatory and technological reforms to enable retailers to respond to the more tailored needs of particularly younger energy customers while continuing to protect the needs of customers in more vulnerable circumstances.

Retailers such as Ergon Energy Retail engage directly with customers every day to understand their billing needs, yet are unable to respond to customer expectations due to the restrictive nature of prescriptive bill content, be it in the NERR or contained within a billing guideline. Consequently, we suggest a more appropriate outcome would be an amendment to rule 25 of the NERR to provide guiding principles for retailers with respect to bill content and delivery, which allow retailers the flexibility to tailor actual bill content to customer needs, and where possible, deliver this content via alternative communication channels including customer portals. Such an approach enables a retailer to ensure customer bills are kept to a maximum of one double sided page which has the added advantage of reducing printing costs and/or storage costs associated with e-bills. We also strongly recommend that the AEMC agree that provision of a notification to a customer saying their bill is available within a customer portal should satisfy delivery of bill provision. Such an outcome would assist retailers to drive down billing costs, with savings flowing to customers via retail prices.

Finally, Ergon Energy Retail notes in the AEMC's draft determination that it is intended that the proposed guideline can specify a billing frequency period for standard retail contracts that is different from the 100-day maximum period specified in rule 24 of the NERR. We suggest consideration must be given to retailers with large customer bases in regional areas to allow for manual reading of electricity meters. Ergon Energy Retail has a large number of customers with manually read meters across regional and remote areas of Queensland, and the cost to attend these sites to read the meters is considerable. To require a meter read in regional areas more frequently so as to meet a shorter billing period will increase the cost to serve across all customers. In the event a guideline is progressed, we suggest that the 100-day maximum billing period must be retained and reflected in the guideline.

Should the AEMC require additional information or wish to discuss any aspect of this submission, please contact me on 0467 782 350 or Barbara Neil on 0429 782 860.

Yours sincerely



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