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3 September 2020

Ms Merryn York  
Acting Chair

Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Submitted electronically

Dear Ms York,

**Re: National Electricity Amendment (Maintaining Life Support Customer Registration When Switching) Rule Consultation Paper**

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to provide feedback to the Australian Energy Market Commission (the Commission) on the Consultation Paper: National Energy Retail Amendment (Maintaining life support registration when switching) Rule (the consultation paper).

Red and Lumo agree that the existing life support registration process as prescribed in the National Energy Retail Rules is not streamlined and customer friendly, however, we do not support the rule change proposal from the Energy and Water Ombudsman NSW (EWON). In 2017, the Commission warned that “given that information sharing processes between retailers are not likely to be completely accurate, requiring retailers to share customers' life support details between themselves could also increase the risk that someone will erroneously be left off the register.”<sup>1</sup> EWON’s rule change request has not demonstrated how the Commission’s concerns will be addressed nor how the rule change will overcome existing system limitations.

The registration process can be considered cumbersome for consumers, as it has been developed over time with strong consideration for ensuring that risks that life support consumers might be left without supply are mitigated. The regulatory framework places additional civil penalties on retailers

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<sup>1</sup> Australian Energy Market Commission, National Energy Retail Amendment (Maintaining Life Support Customer Registration When Switching) Rule, Consultation Paper p7

and distributors when failing to correctly register a life support consumer, which accurately reflects the risk should consumers not be registered correctly and an outage occurs.

### **Medical confirmation forms**

The consultation paper notes “retailers and DNSPs generally have their own medical confirmation form which is sent to a customer when the retailer or DNSP is notified that a person who resides at the premises requires life support.”<sup>2</sup> These forms are not simply interchangeable between retailers as formats and information provided by the customer has been specifically developed to meet the needs of each business. While we acknowledge that some information is universal (ie NMI, name, address, phone number and medical equipment), there is other information specifically tailored for each business. The transfer of these forms between businesses therefore will potentially require companies to contact the customer to request extra information or fill in a new form entirely which would be counterproductive to the goals of the proposed rule change.

### **Concession forms**

Medical confirmation plays only one part of the registration process. The vast majority of consumers that require life support equipment are also eligible and also need to complete the approved concession rebate application form.

Concession paperwork is mandated by relevant jurisdictions and requires consumers nominate both a retailer and an account number provided by that retailer. If the concession forms are transferred between Registered Process Owners (RPO), will the winning retailer be able to process this concession rebate with the paperwork having an incorrect retailer and account number. The relevant jurisdiction would need to authorise retailers to process concession paperwork with incorrect details. Without the relevant jurisdiction also making necessary changes to approve retailers utilising the same form, consumers will be required to re-complete a form with their new retailer and have it signed by a medical professional. Failure to undertake this process will result in the consumer being unable to access the concession payment that they are entitled to. Alternatively, if the rule change only facilitates the transfer of the medical confirmation paperwork, the vast majority of consumers will still need to complete concession paperwork (which also requires a medical practitioner’s signature) upon transferring to a new retailer. This eliminates any benefits to the consumer proposed in the rule change.

### **System limitations**

EWON has proposed that the rules are amended to “enable the transfer of medical information between outgoing and incoming life support RPO.”<sup>3</sup> However, it has not outlined how Registered Process Owners will be expected to transfer the life support registration and the associated paperwork. Currently, while retailers and networks are able to send and receive transactions, there

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<sup>2</sup> Ibid, p16

<sup>3</sup> Ibid, p8

are no existing processes or ability to send consumer details and information between retailers. In order to enable retailers to notify each other of a customer having life support, it requires extensive system changes across the industry as the market system (B2B e-Hub) does not currently have the functionality for electronic document transfer.

In order to accommodate the transfer of documentation, there are two options: either a complete redesign of the B2B e-Hub to accommodate the transfer of documentation between participants or retailers would need to send confidential documentation by email. Each of these options creates a range of problems. The B2B e-Hub was designed to allow for the sharing of data, customer details and market notifications between participants. It was never intended or designed to allow for the sending of customer documentation between participants. If there was a proposal to build this capability it is likely that it would involve a complete rebuild of a wide number of market functions. While AEMO would be best placed to advise the exact cost, we expect that the costs are likely to be extensive, which will ultimately be borne by consumers.

Sending this information by email raises a range of potential privacy concerns. In particular, as there is also no existing process that would allow for the sharing of this documentation securely between retailers. This would require extensive development of a secure process for the sharing of this data between retailers as well as networks and it would need to be developed and agreed to by all market participants. This would not only be difficult to develop but would be time consuming and costly.

### **Privacy concerns**

Even if there are potential solutions to overcome the technical problems with the proposal, sharing documentation between retailers raises additional privacy concerns. Given the sensitive nature of this documentation, both the incoming and outgoing retailer are likely to want to obtain Explicit Informed Consent (EIC) from the customer before sharing any documentation. This will result in life support consumers who are changing retailers, being contacted by both the incoming and outgoing retailers until confirmation is obtained. This may also add additional risk that a consumer would not be properly registered for life support if they fail to respond to both retailers requests.

The proposed rule change will be difficult to implement and unlikely to address the underlying structural problems with the process. An alternative would be to amend the existing processes which remain difficult to manage for consumers. It is crucial to remember that many of the steps in the life support process are not managed by the National Energy Retail Rules but instead by the relevant jurisdictions. In order to provide material benefit to the consumer, their support is required. Red and Lumo have outlined some of these potential alternative changes below.

### **Alternative options**

A key improvement would be to reduce the amount of paperwork required for a customer to register for life support. Customers who call to register in New South Wales (NSW) for example will be sent 6 pages worth of concession documents as well as 2 pages for medical confirmation which needs to be completed in full. Retailers regularly have issues with paperwork only being partially completed.

The NSW Government also requires that this process be completed every two years to maintain the life support concession. Instead of requiring this full pack to be completed, relevant departments could work with retailers, and mutually agree on a set of medical registration and relevant concession forms. There would be even more benefit delivered, if this was a nationally approved set of forms as it would reduce administrative burden for life support customers and retailers alike.

This uniform process would provide the most benefit if a customer and their medical professional could complete their respective sections online and automatically submit it to their nominated retailer. Currently, many customers and medical professionals complete a printed document and then email or, more commonly, post it back to the registered process owner. This process is inefficient and often leads to customers returning incomplete forms or failing to return the forms at all. An online application process could be streamlined, ensuring all required fields are completed in full and would even allow medical professionals to complete the form with the customer.

#### **About Red and Lumo**

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, New South Wales, Queensland and South Australia and electricity in the ACT to over 1 million customers.

Red and Lumo thank the Commission for the opportunity to respond to its consultation paper. Should you wish to discuss aspects or have any further enquiries regarding this submission, please call Stephen White, Regulatory Manager on 0404 819 143.

Yours sincerely

A handwritten signature in black ink, appearing to be "Ramy Soussou". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

**Ramy Soussou**  
General Manager Regulatory Affairs & Stakeholder Relations  
**Red Energy Pty Ltd**  
**Lumo Energy (Australia) Pty Ltd**