

Submission to the ICRC issues paper on behalf of ACTCOSS, COTA and Care Financial Counselling

The ACT Council of Social Service (ACTCOSS) contacted the Independent Competition and Regulatory Commission (commission) in August 2023 to arrange a meeting between the ICRC and smaller consumer organisations to allow them to provide verbal feedback on the issues paper in relation to the retail electricity price investigation for 2024-27. These organisations were interested in providing their input to the investigation with the objective of ensuring positive outcomes for vulnerable customers but had concerns about their capacity to engage with such a technical process.

The commission met with representatives from ACTCOSS, Care Financial Counselling and the Council on the Ageing (COTA) on the 22nd and 23rd of August to obtain feedback on the issues paper. Based on those meetings, the ICRC drafted this submission on behalf of the organisations involved and the paper was reviewed and approved by them before submission to the issues paper process.

Consistent feedback from all three organisations was that there are significant barriers that prevent their members from engaging in the electricity market, including:

- The energy market is complex and hard to navigate.
- There is a lack of consistency in how things are presented (both in terms of bill presentation and how things are referred to ie plans/tariffs/prices)
- Energy Made Easy is not easy to navigate. Many members are not aware of the website and for many older people it is either not accessible due to technology skills and infrastructure or there is a strong preference for written material.
- It is also very difficult for customers to engage with retailers:
 - When speaking to retailers other than ActewAGL, there appears to be little knowledge about pricing in the ACT and it is difficult for customers to get the information they need.
 - Older people will not generally engage with retailers online or over the phone. There is little trust that retailers are acting in their best interests.
- There is low awareness of different offers and there is a perception that switching is difficult or will not significantly reduce bills. For many vulnerable customers, electricity pricing is not top of mind given other things they are worrying about. For older people, there is a feeling of safety in staying with what they know. People in Care's Aboriginal and Torres Strait Islander community are reluctant to switch plans and there is a huge amount of concern regarding electricity being cut-off or interruptions to supply if they do decide to change.
- For many Aboriginal and Torres Strait Islander people in Care's community, it is not easy to get information about electricity plans, they are directed to and from different people or are offered different plans without the time to understand it. They are not confident they are on the best electricity plans for their circumstances and do not have the time or resources to be able to undertake the analysis. There is also a low awareness of different retailers operating in the market, other than ActewAGL.
- There is a lack of translation material available for people who English is not their first language. Most retailers offer a translation service but do not have translated material directly available.
- Older people prefer hard-copy material and in-person assistance and COTA noted a number of approaches that have been successful with its members:

- COTA supplies pamphlets on a range of issues, including energy, to its members and these are extremely popular.
- COTA has previously arranged for ActewAGL to provide information to its members at in-person meetings to assist older people in determining whether they were on the correct plan for them.
- COTA also organises in-person energy focused forums twice per year where older people have the opportunity to get assistance with understanding their bills and to hear from experts on energy efficiency measures that can help reduce energy bills.
- COTA also organised a Read your Bill initiative with ActewAGL, where people could go into ActewAGL’s Bunda Street office and ActewAGL staff would assist them in understanding their bill. This was extremely popular but this initiative fell-away with COVID and has not been reintroduced.

All groups noted that anything that can help streamline or increase consistency across retailers would be welcome. Care Financial Counselling noted that it is anticipating that the Better Bills initiative will simplify and improve the consistency between retailer bills. ACTCOSS noted that the application of regulated standing offer to all retailers, not just ActewAGL, would improve consistency.

The experience of all groups was that retailers are not proactive in helping vulnerable customers. They believed that there is scope for retailers to use the information they have to provide more assistance. For example:

- if a customer is on a hardship plan or paying by Centrepay, can the retailer check they are getting the government assistance they are entitled to?
- If they can see a customer facing difficulty with payment is on a standing offer or a plan that does not best meet their circumstances, can they change them to a better plan?

Overall, they find that retailers fail to “join the dots” or do not communicate hardship schemes that are available to customers.

Care’s Aboriginal Community Engagement Office noted the importance of community education on the ground to ensure it is successful and everyone in the community is afforded the same opportunity to have the knowledge and opportunity shared.

Other issues identified include:

- low awareness of government assistance that is available
- an increasing number of customers that are struggling with cost of living are not eligible for government assistance
- concession eligibility is sometimes complex and confusing. For example, older people holding an ACT seniors card are not eligible for energy concessions, they must hold a Commonwealth card
- there is buy in to engage on environmental issues once the cost of living/debt concerns are addressed.