

Essential Services Commission
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Strengthening Protections for Life Support Customers

The Australian Energy Council (the '**AEC**') welcomes the opportunity to make a submission to the Essential Services Commission (the '**ESC**') on the Strengthening Protections for Life Support Customers (the '**Draft Decision**').

The AEC is the industry body representing 21 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC supports the intent of the ESC to align the Victorian protections for life support customers with those in the National Energy Retail Rules. However, we are concerned with the suggestion that the Final Decision might deviate from the National Framework in a number of key areas.

The recent changes to the life support protections in the NERR were implemented to improve the framework in two ways. These changes ensured that protections applied from the moment the customer notified the energy business of the need for life support, and streamlined processes, delivering more accurate life support registers. This latter point is important, as inaccurate life support registers can cause significant consumer detriment, firstly if they require life support and they do not receive protection, and secondly, can create significant cost and safety issues if the registers are incorrectly over-subscribed.

Objectives of harmonisation

The AEC strongly encourages harmonisation to the extent possible with the national framework. This harmonisation is particularly important where there might be interactions between the retailer and distributor, or customer interactions. These interactions are often automated, and arbitrary deviation increases costs and complexity, potentially reducing the accuracy of the registers. Whilst requirements such as those in Draft Decision 19 might appear reasonable in the absence of a national obligation, if retailers have inbuilt systems that perform this function in a slightly different manner, there will be a need for time to implement these changes. Given the intention to implement this change mere months after a final decision, the AEC encourage the ESC to take a cautious approach to regulatory deviation.

Questions 3 & 4 – Medical Confirmation

The AEC considers that medical confirmation is a critical aspect of the ensuring the accuracy of life support registers. As noted above, we support the need for protections to apply from the moment a customer notifies the retailer of life support, but consider the need for medical confirmation to be proportionate to the implications of a customer being placed on the register.

The new protections will guarantee a customer will never be disconnected by their retailer for non-payment, and increase the notification requirements for other outages, unless and until they notify their energy business that life support is no longer required. This is a significant protection, and should only be afforded where it is necessary to avoid the issues highlighted above.

Given the linkage between life support protections and concessions, the AEC recommends the use of the Department of Health and Human Services *Life Support Concession and Machine Notification* form as an appropriate means of providing medical confirmation of the need for life support protection. This form requires a customer to obtain medical confirmation, as well as ensuring no customer misses out on the concessions they are entitled to.

The AEC does not support any lowering of the current medical confirmation requirements. We understand that the number of customers flagged as requiring life support has increased significantly in recent years. The accuracy of the registers is paramount, and increasing access without proportionate medical confirmation increases the risk of inaccuracy.

Question 7 – Distributors to deregister some customers

In the absence of an impact assessment, we encourage the ESC to remain consistent to the national framework, particularly given the very short implementation period proposed. Given the new retailer will have an obligation to ascertain with the customer whether life support equipment is required, we consider the risk of an incorrect removal by the distributor from the register is low. If the final decision disallowed this practice, there are practical concerns regarding who is the process owner, and who becomes responsible for register accuracy. Given the intent of these changes, changing these obligations without clarity over the consequences would be imprudent.

For any questions about our submission please contact me by email at ben.barnes@energycouncil.com.au or on (03) 9205 3115.

Yours sincerely,



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