

Feedback for AER Review of Sustainable Payment Framework

TasCOSS is the peak body for the community services sector in Tasmania. Our membership includes individuals and organisations active in the provision of community services to low income, vulnerable and disadvantaged Tasmanians. TasCOSS represents the interests of its members and their clients to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

Information from consumer groups

We are seeking feedback on your experience with the Framework to date. In particular, we are interested in your views on/ responses to the following:

- Have you been involved in recent consultation with any energy retailers about their approach to capacity to pay discussions and/or payment plans?

TasCOSS is a member of the Aurora Vulnerable Customer Stakeholder Group which meets regularly. We also provide feedback from the community sector to Aurora management about their customer hardship program (YES – Your Energy Support).

- What feedback, if any, has been provided to you about the implementation and operation of the Framework:
 - within your organisation – *None, I have received information about the Framework from the AER and saw that Aurora had signed up on the AER website.*
 - from external stakeholders, including Ombudsman schemes, customers and financial counsellors. *None – as above.*
- Are you aware of any barriers to implementation amongst the retailers?

From informal discussion with Aurora, they are of the view that they are already compliant with the Framework, so they see no need for additional actions to implement it. To my knowledge, they have not undertaken to promote their uptake of the Framework.

- Have you noticed any changes in energy retailer practices since the Framework came into effect? (Specifically, in the way that capacity to pay and payment plans discussions are approached).

No changes have been observed since November 2016. However, Aurora's YES (Your Energy Support) program was introduced two years ago, and community sector workers have reported that dealing with Aurora is much better since the YES program began.

- Are you aware of how recent discussions between customers and their energy retailers about their capacity to pay have gone? We are interested in examples of conversations that have gone well and also conversations that could have gone better.

TasCOSS works mainly with organisations and community sector professionals rather than with customers, but we regularly engage with our members who deal directly with clients. Feedback from community sector workers indicates that while the YES program is viewed positively overall, workers still encounter some challenges as they seek to assist their clients. Workers gave this feedback spontaneously, and it may be useful to consult more systematically to gain a deeper understanding of worker experiences and perceptions. TasCOSS would like to use our expertise and community sector network to gain more systematic feedback. We have ongoing engagement with Aurora to enhance the YES program and to improve outcomes for the customers who need it.

During a series of workshops in March and April 2017 held by TasCOSS across Tasmania, participants commented that while overall the YES program is working well, getting an affordable payment plan for clients remains a challenge in some cases. For example, we heard that in some cases, customers were being told what the payment amounts needed to be, rather than being asked about what the person could afford. (Note: the AER Framework Good Practice Guide states 'Avoid starting the conversation by asking whether the customer can afford the retailer's preferred amount, as this can make a customer feel pressured to accept an amount they may not be able to afford.') We also heard very positive stories, when people felt they had been listened to, and that Aurora had been responsive and supportive when variations to plans were needed.

- Are there differences in the interactions that customers are having with their energy retailer depending on whether the retailer has (or has not) adopted the Framework?

Not applicable in Tasmania, as Aurora Energy is the only retailer for residential electricity customers. In Tasmania, gas is not regarded as an essential service.

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