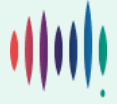


# **Retail Guidelines Review: Consultation Paper**

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Submission to the Australian Energy  
Regulator (AER)

**DATE:** 23/12/2025



**Energy Consumers Australia is the national voice for household and small business energy consumers. We advocate for a fair, affordable, and reliable energy system—one that meets everyone’s needs and leaves no one behind on the journey to net zero.**

Energy Consumers Australia (ECA) welcomes the opportunity to respond to the Australia Energy Regulator’s (AER) review of key retail guidelines. The guidelines under review shape how consumers experience the market in practice and are essential to ensuring that households and small businesses receive clear information, meaningful assistance when they need it, and protection from poor market conduct.

While we support improvements across the guidelines, including clearer better offer messages and more consistent communication standards, it is important to recognise the limits of what reforms to the guidelines can achieve. The AER’s discretion in this process is understandably constrained. Many of the issues that these guidelines attempt to address are symptoms of deeper structural issues with the retail market. In particular, the current framework continues to rely heavily on consumers monitoring their plans, identifying risks and regularly switching in order to avoid paying more than necessary. This reliance on ongoing, active consumer effort is a symptom of the wider problem: responsibility for achieving fair outcomes sits with consumers, not providers.

Findings from the 2025 Consumer Energy Report Card highlight why this model is not workable. 58 percent of households want only a basic relationship with the energy system, focused on a fair price, reliable supply and good customer service.<sup>1</sup> For these consumers, it is neither realistic nor fair to expect constant re engagement with an already confusing market to secure good outcomes.

At the same time, 42 percent of households want a more active relationship.<sup>2</sup> This is a significant portion of the population and reflects the growing opportunities offered by the energy transition, including solar, batteries, virtual power plants and new retail products. These consumers are motivated to monitor usage in real time, optimise exports and participate in emerging services. This is a positive trend. However, these opportunities come with more complex plans, new risks and more behavioural conditions. Active consumers must be supported through clear disclosures, transparent pricing and a framework that prevents avoidable harm.

These challenges are likely to become more acute as the energy market grows more complex. Recent findings from the Australian Competition and Consumer Commission highlight this growing complexity: more customers are on complex plans (a 37.7% increase in 2025), there are some 145,500 plans across all NEM regions, and a customer would be offered up to 233 plans when seeking to switch.<sup>3</sup> There is an important role for the AER in reviewing the guidelines to ensure consumers can achieve good outcomes in a complex market.

These findings point to the same conclusion. Whether a consumer wants a basic or an active relationship, the system must not depend on consumers becoming experts in retail energy contracts to be treated fairly. Guideline improvements can alleviate some symptoms but cannot resolve the structural imbalance that places too much responsibility on consumers and too little on providers.

<sup>1</sup> ECA, [Consumer Energy Report Card data](#) | Energy Consumers Australia.

<sup>2</sup> Ibid.

<sup>3</sup> ACCC, [NEM Inquiry Report \(December 2025\)](#).

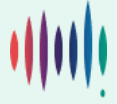


ECA's submission focuses on how the AER can use this review to strengthen the contribution of the retail guidelines to better consumer outcomes. In particular, we encourage the AER to:

- align the guidelines more clearly around consumer outcomes
- reduce avoidable sources of confusion that undermine trust, including same-name plans, poorly explained benefit changes and comparison messages that consumers cannot readily reconcile with their bill
- ensure guidance reflects how consumers actually engage with energy (for both consumers wanting a 'basic' or 'active' relationship with energy) including digital channels, conditional plans, and emerging products.

ECA continues to support broader reform, including the development of a consumer duty that would require energy providers to take responsibility for delivering fair outcomes as a core part of doing business. The review of the retail guidelines should therefore be seen as contributing to, rather than substituting for, the structural reform needed through the Better Energy Customer Experiences (BECE) process.

Thank you for considering this submission. If you have any questions, please contact Claire Ohk at [Claire.Ohk@energyconsumersaustralia.com.au](mailto:Claire.Ohk@energyconsumersaustralia.com.au).



## Consultation paper questions:

### Approach to combining the guidelines

#### 1. How can we make sure the combined guidelines are easy for stakeholders to use, including retailer staff who will be responsible for implementing the requirements?

The purpose of consolidating the retail guidelines should be to make obligations clearer, more coherent and easier to apply in practice – and ultimately lead to better outcomes for consumers – rather than to simplify the framework for its own sake. A combined guideline will only be effective if it gives retailers a clear line of sight between the purpose of an obligation to what they are required to do to meet it, while maintaining or strengthening consumer protections.

To achieve this, the consolidated guideline should be structured around the consumer outcomes it is intended to deliver, with obligations framed explicitly as mechanisms for achieving those outcomes. This approach would make the intent of each requirement clearer and improve accountability by allowing regulators, ombudsmen and consumer advocates to assess whether retailer practices are delivering the intended outcomes in practice, rather than simply complying with form.

Billing provides a clear example. The Better Bills Guideline already expresses a form of outcomes-based obligation, albeit described as a ‘design principle’ (‘Make the bill easy to understand’). This is supplemented by a range of prescriptive requirements designed to improve accessibility. A revised guideline could more clearly articulate the consumer outcome to be achieved. This could include a high-level outcome around consumer understanding of bills and more detailed outcomes around particular elements (e.g. price or hardship supports). The specific obligations could then be reframed or revised to ensure they align with and clearly support the delivery of these consumer outcomes.

As the AER moves toward a more outcomes based regulatory framework through the BECE process, consolidating the guidelines presents an opportunity to begin aligning obligations in that direction, while retaining specificity where consumer risk remains high.

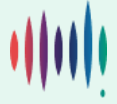
To ensure the consolidated guidelines genuinely improve usability and accountability, the AER should:

- begin each section with a concise statement of the consumer outcome to be achieved
- ensure specific obligations clearly support achieving the consumer outcome
- maintain clear distinctions between enforceable requirements and guidance, to avoid obscuring mandatory obligations and weakening compliance
- commit to periodic review of the consolidated guideline so it remains fit for purpose as the energy market and consumer needs evolve.

### Improving retail communications

#### 2. How could we adapt the design principles to different communications and where is more specific formatting guidance required?

Good design principles should be applied consistently across retailer communications, but their role should be to support clear consumer outcomes rather than to lock in specific formatting choices. The



focus should shift from whether communications comply with particular design rules to whether they help to achieve good outcomes for consumers.

The Better Bills evaluation demonstrates that post-implementation bills perform better than pre-implementation bills on certain design measures and that some consumers are more likely to visit Energy Made Easy.<sup>4</sup> However, the evaluation also acknowledges its limitations. Impacts are assessed through proxy measures such as website visits, the research captures only early effects following implementation, and qualitative findings are based on relatively small samples. The report does not provide conclusive evidence that improved bill design alone leads to sustained improvements in consumer comprehension or outcomes.<sup>5</sup> It also highlighted that many consumers rely on channels other than bills, including apps, websites and habitual payment behaviours.<sup>6</sup>

This aligns with findings from our Consumer Energy Report Card, which show that among households who do not regularly review their energy plan, lack of confidence is a significant barrier to engagement, particularly for those experiencing hardship. Of households who do not review plans regularly, more than half (51 per cent) of households experiencing multiple indicators of energy hardship report that they would not know where to start when reviewing or comparing plans, compared with 22 per cent of households not experiencing hardship.<sup>7</sup>

### Main reason for not reviewing energy plan regularly

	Vulnerable to, or experiencing, energy hardship (1+ indicators)	Vulnerable to, or experiencing, energy hardship (2+ indicators)	No reported hardship indicator
Satisfied with your current energy plan	24%	18%	36%
Wouldn't know where to start	38%	51%	22%

This suggests that while design improvements can support navigation and awareness, they are not sufficient on their own to overcome the structural and behavioural barriers faced by many consumers, particularly those experiencing financial stress. For these households, clearer layouts or additional information do not necessarily translate into greater confidence or ability to act.

Adapting design principles across different communications should therefore be guided by the outcome each communication is intended to achieve. Consumers interact with retailers through a wide range of touchpoints, including bills, emails, letters, apps, web portals, phone calls, benefit change notices and hardship communications. Applying the same principles across the channels only make sense if the emphasis is on relevance and actionability, not simply on disclosure. For example, communications should make it immediately clear whether something has changed, whether it affects what the customer will pay, and what action is required.

More specific guidance is likely to be warranted for communications that consistently create confusion or pose a higher risk of consumer harm. These include benefit change notices, hardship and payment

<sup>4</sup> BETA, [The answer to cheaper energy could be on your next bill – using behavioural economics to drive change](#) | PM&C.

<sup>5</sup> Behavioural Economics Team of the Australian Government (BETA) (2025), Better bills impact report; Discussion and Conclusion, pp. 41-43; Methodology, pp.13-14

<sup>6</sup> Ibid.

<sup>7</sup> ECA, *Understanding and measuring energy hardship in Australia*, CERC, July 2025, p.17.

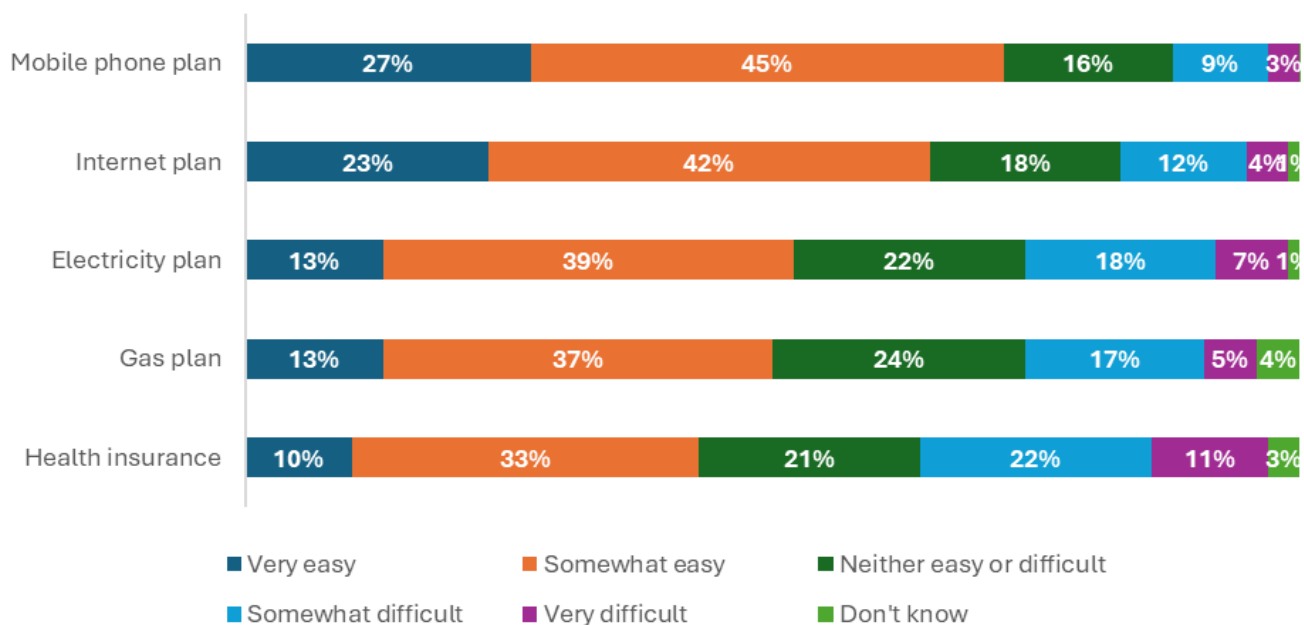


assistance communications, complex plan descriptions and information about fees and charges. In these cases, the issue is not only presentation, but whether consumers can meaningfully understand how changes affect them financially and what options are realistically available. The Better Bills evaluation itself illustrates this risk, noting that some prescriptive requirements such as tiering can have unintended accessibility consequences, including pushing interpreter information out of prominent positions.

Rather than prescribing additional formatting rules, the AER should prioritise outcome focused testing of these higher risk communications with real consumers, including those with lower confidence, lower literacy or higher stress levels. The test should not be whether information is technically present but whether consumers can find it, understand it, and use it to make appropriate decisions.

There is also value in learning from other essential services sectors and comparable jurisdictions. Energy communications remain more complex than telecommunications, where pricing structures are simpler and there is less need for consumers to repeatedly re-optimize their choices.

### How easy or difficult people find it to understand plans or contracts<sup>8</sup>

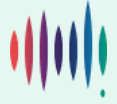


Internationally, higher levels of reported consumer understanding in markets such as the United Kingdom<sup>9</sup> may reflect more standardised tariff structures, clearer regulatory expectations and sustained consumer education. Understanding what has contributed to these outcomes would help inform how design principles are applied in Australia.

Overall, the review of design principles should move beyond assessing whether communications look better, and instead focus on whether they work better for consumers. This requires applying principles flexibly across channels, identifying where complexity limits the effectiveness of disclosure and using

<sup>8</sup> ECA, [Simplicity doesn't equal higher engagement](#).

<sup>9</sup> See generally Ofgem, [Understanding Consumers' Energy Tariff Choices: a research report](#).



evidence and testing to refine guidance over time. Doing so support clearer, more trustworthy communications while recognising the limits of design rules in addressing deeper structural complexity.

## **Making communications clearer and more accessible:**

### **3. How could we make communications more accessible for customers?**

Making communications more accessible requires more than refining bill layout or making incremental changes to existing design rules. While the Better Bills Guideline has improved navigability for some consumers, evidence from both the evaluation and broader consumer research indicates that significant barriers remain, particularly for people with specific accessibility needs and for consumers who already find the energy market difficult to engage with.

Accessibility needs to be treated as a core requirement of communications, not as a secondary benefit that flows automatically from general design principles. While clarity and salience benefit all consumers, they do not reliably address the needs of people with low English proficiency, limited digital skills, low vision or blindness, or those experiencing financial stress.

The Better Bills evaluation itself highlights this risk, noting that tiered information requirements can have unintended consequences, such as pushing interpreter information out of prominent positions on bills and making them harder to find for consumers who rely on that information.<sup>10</sup> This illustrates why accessibility cannot be addressed through assumptions about what works for “most” consumers.

To improve accessibility in practice, the AER should ensure that guidance is informed by direct testing with consumers who face higher barriers to engagement. This includes people with interpretation needs, people who rely on screen readers, people with low digital literacy or limited access to digital tools, and people experiencing financial stress where cognitive load is already high. The relevant test should be whether consumers can find, understand and act on critical information, not simply whether that information is technically present.

Accessibility expectations also need to reflect how consumers actually interact with retailers. A growing proportion of consumers primarily engage through digital channels such as apps, online portals and email rather than paper bills. In these contexts, accessibility issues can arise when important information is delivered through transient notifications, when past notices are difficult to locate, or when key information is presented inconsistently across channels.

Current guidelines remain largely bill-centric and do not sufficiently address these risks. Improving accessibility therefore requires extending expectations across all major communication channels, while ensuring that consumers can choose and rely on their preferred channel without losing access to critical information.

### **Information on ombudsmen should be clear without increasing confusion**

We support reviewing how ombudsman information is presented, not because consumers should be discouraged from contacting an ombudsman but to ensure communications clearly explain the different roles of retailers and independent dispute resolution services, and how consumers can move between them.

<sup>10</sup> BETA, Better bills impact report, 16.





The AER should also consider evidence from Victoria where there has also been recent consultation in relation to ombudsman information on bills.<sup>11</sup> Energy and Water Ombudsman Victoria (EWOV) noted that while case numbers increased after ombudsman contact details were included on bills, this did not lead to EWOV being “awash with customers contacting us without first contacting their provider”.<sup>12</sup> EWOV has further stated that where it receives numerous complaints about a provider where consumers have not first spoken to the provider, this indicates that the provider is not sufficiently promoting its complaint service and/or is not sufficiently accessible, for example due to unclear complaint information or poorly resourced contact centres.

On this basis, improvements should focus on clarifying how and when different dispute resolution pathways apply, rather than reducing the visibility of ombudsman services. Communications should help consumers understand the retailer’s role as the first point of contact, the ombudsman’s role as an escalation point for unresolved complaints, and how consumers move between these steps, including other forms of support options such as financial counselling.

As a practical and proportionate step, we support the AER making targeted clarifications that explain the sequencing of dispute resolution pathways, without removing or diminishing ombudsman information.

Improving accessibility requires ongoing testing with consumers who have diverse needs, attention to how accessibility plays out across different communication channels, and a focus on whether communications genuinely support consumers to understand their situation and get help when needed. As well as AER-supported consumer testing, the AER should also consider the role of retailers themselves in testing and refining communication approaches to ensure they are effectively achieving good consumer outcomes, noting this would be a feature of a consumer duty approach.

While refinements to design principles are welcome, accessibility challenges ultimately reflect the broader complexity of the retail energy market. Improving accessibility therefore needs to sit alongside, not substitute for, longer-term reforms that reduce reliance on consumers having to decode complex information to achieve fair outcomes.

## Improving benefit change notices:

### 4. How could benefit change notices be improved to make it easier for customers to understand and take action when their benefit is changing?

Benefit change notices should enable consumers to understand whether their energy plan continues to offer reasonable value. When a benefit changes or expires, customers need clear answers to three questions: what has changed, what it means for what they will pay, and whether any action is required. While many benefit change notices meet formal requirements they may often fail to support good consumer outcomes in practice.

This review provides an opportunity to reconsider not only how benefit change notices are presented, but whether the current framework reflects how consumers actually experience price and value in the retail energy market. From a consumer perspective, the distinction between benefits, tariffs and base rates is largely irrelevant. Customers experience the combined effect of all price components on their bill, not the regulatory categorisation that underpins them.

<sup>11</sup> Essential Services Commission, [Energy Retail Code of Practice review | Engage Victoria](#).

<sup>12</sup> EWOV, 2025, Feedback on the Energy Consumer Reforms RIS, p.9.





Under the Benefit Change Notice Guidelines, changes to the rates on which a benefit is calculated are explicitly excluded from the definition of a benefit change. This creates a significant gap between regulatory form and consumer experience. Material increases in what a customer pays can occur without triggering a benefit change notice, even though the overall value of the plan has worsened. As pricing structures become more complex, this gap can become more consequential. Benefit change notices should therefore be assessed by reference to whether there has been a material change in plan value, rather than whether a narrowly defined benefit has changed in isolation.

This review also highlights the need to reconsider how benefits are defined and communicated. In practice, many benefits operate as mechanisms for delivering a particular price outcome, such as time-limited discounts off usage rates. From a consumer perspective, it makes little difference whether a high bill results from a discount expiring or an increase in the underlying rate. What matters is whether what they pay will change. The current framework places disproportionate weight on how a price outcome is categorised resulting in prominent notices when discounts expire but no equivalent, value focused communication when base rate increases. A cheaper rate should be treated as a core element of price, not framed as a benefit.

Benefit change notices should not imply that a plan remains good value simply because a non-financial benefit continues, where the underlying rate, tariff structure or overall cost has worsened. Communications should prioritise clarity about price and value impacts, with non-financial benefits presented as secondary information rather than a proxy for ongoing value.

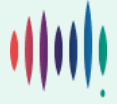
Benefit change notices are often treated as a trigger for customers to compare and switch plans. While switching and comparison tools play an important role for some consumers, evidence from our research and that of other consumer organisations shows that this is not an effective or appropriate response for everyone. Many consumers are time-poor, digitally excluded or already experiencing stress. For these consumers, repeated prompts to re-engage with a complex market can increase confusion rather than improve outcomes, particularly where the price impact of a benefit change is small or where suitable alternatives exist within the same retailer.

In this context, benefit change notices should not assume that switching is the default or expected response. They should also help consumers determine whether any action is required in the first place, and if so help them understand:

- whether the change has materially affected what they pay
- whether alternative options are available from their current retailer
- whether staying on the plan is the best option given their circumstances.

Improving benefit change notices therefore requires more than updating prescribed information. The AER should reassess whether the current definition of a benefit change captures changes that materially affect what customers pay, examine how financial and non-financial benefits are communicated relative to core price information, and test whether benefit change notices actually help consumers understand value and take appropriate action. This should include consideration of how benefit change notices interact with better offer messaging and broader concerns about market complexity.

Ultimately, benefit change notices should help consumers understand what has changed, what it means for them, and whether they need to act now, later, or not at all. A framework that focuses on regulatory



form rather than consumer impact risks perpetuating confusion at exactly the moments when clarity matters most.

## Communicating secondary settlement points (SSP)

### 5. How will secondary settlement points change energy plans and energy plan information?

Secondary settlement points represent a structural change to how electricity supply, pricing and retail relationships operate at a customer's premises. From November 2026, small customers may have multiple settlement points at a single connection point, without needing multiple meters, associated with different components of their energy use.<sup>13</sup> While this creates opportunities for innovation, particularly for customers with electric vehicles, batteries and other consumer energy resources, it also introduces a new layer of complexity into retail market that many consumers already struggle to understand.

From a consumer perspective, SSPs are likely to change energy plans from being singular products into multi-layered arrangements. Customers may face different rates and conditions for general household consumption, electric vehicle charging or other flexible load, and separate import and export arrangements, potentially with different pricing structures, time windows and incentives.

For consumers, this can feel like having "multiple mini-plans" operating at the same premises. While this may reflect real system value, it also increases the cognitive burden on customers, particularly when trying to understand what they are paying for, how costs interact and how to compare offers across retailers.

Plan information will therefore need to explain the interactions, not just list components. The central challenge is not the provision of more information but helping consumers understand how the different settlement points interact to determine what they pay overall. Without careful communication, consumers may focus on attractive rates attached to one settlement point, misunderstand how much of their usage actually falls under that rate, underestimate higher costs applied to other parts of their usage, or struggle to compare plans because the structure, not just the price, differs. These risks are especially acute for households and small businesses that are new to electric vehicles or batteries, where usage patterns are often still emerging and may change significantly over time, increasing the risk of misunderstanding or bill shock.

SSPs will also increase comparability and trust risks. They are likely to make plan comparison more difficult for consumers and comparison tools alike. If expected savings do not materialise, or consumers feel they did not understand what they were signing up to, confidence in new products and services may be undermined. This reinforces the need for communications that are clear about what portion of usage each settlement point applies to, honest about variability and risks, and focused on helping consumers assess suitability rather than emphasising headline rates.

### AER should undertake dedicated consumer testing

We strongly support the AER undertaking dedicated consumer testing before finalising guidance on SSPs. This testing should focus on how consumers understand and respond to SSP-enabled offers as well as realistic mock plans, bills and account information to reflect how SSPs are likely to be implemented. Testing should explore whether consumers can:

<sup>13</sup> AEMC, [Unlocking CER benefits through flexible trading](#) | AEMC.



- identify which settlement point applies to which part of their usage
- understand how this affects what they pay overall
- assess whether a plan is appropriate for their circumstances
- avoid unintended bill shock.

This testing should include households and small businesses with varying levels of energy literacy and different levels of engagement with consumer energy resources.

We also agree that this is an area where outcomes-based obligations are likely to be more effective than highly prescriptive rules. Given the pace of change in CER-enabled products, overly detailed formatting or disclosure requirements risk constraining innovation in emerging CER-enabled products and increasing complexity without improving understanding.

Importantly, prescriptive rules in this context may not only stifle innovation but also lead to worse consumer outcomes if they encourage the provision of more information without improving comprehension. Guidance should instead focus on whether consumers can reasonably understand what each settlement point relates to, how settlement points interact to affect overall costs and benefits, whether a plan is suitable for their circumstances, and how risks such as bill variability are managed as usage patterns change over time.

The introduction of SSPs also has implications for existing consumer protections, including life support arrangements, hardship assistance and concessions, which were designed around simpler pricing and billing structures.

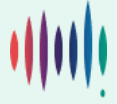
Where customers have multiple settlement points, it may be less obvious how these protections apply across different types of usage. For example, customers relying on life support equipment must have absolute clarity that critical household supply remains protected, regardless of how other usage, such as electric vehicle charging, is settled or priced. Similarly, hardship frameworks and payment plans are typically based on aggregate bills and assumed usage patterns, which may become more variable under plans with multiple settlement points.

There is also a risk that concessions and rebates, while applied correctly in technical terms, become less transparent or intuitive for consumers when bills are broken into multiple components. This can undermine confidence in protections that are intended to support consumers experiencing vulnerability. These interactions reinforce the importance of outcomes-based obligations.

## **Differentiating requirements for different types of plans:**

### **6. How could our guidelines make complex energy plan information more relevant and easier to understand?**

The growing diversity of energy plans and services has the potential to deliver benefits for some households and small businesses. However, there is strong and consistent evidence that many consumers already struggle to understand energy pricing and plan information in the current market. Pricing confusion, similarly named products, non-financial features and behavioural incentives contribute to disengagement and poor outcomes, particularly for customers who do not regularly reassess or switch plans.



The Australian Competition and Consumer Commission (ACCC) has recently found that more customers (462,000 customers, an increase of 37.7% in 2025) are on complex plans that use a combination of multiple cost reflective pricing elements, including time of use, seasonal pricing, multiple usage blocks and demand charge.<sup>14</sup> The ACCC identifies this as a market characteristic that increases barriers to switching.<sup>15</sup>

ACCC findings also show that customers on older or more complex offers tend to pay materially higher prices than customers on newer offers, with loyalty penalties emerging after relatively short periods of non-engagement.<sup>16</sup> While recent findings suggest measures designed to prompt switching, such as better offer messages, are having some impact, information alone cannot compensate for the barriers many consumers may face in arising from increasing product complexity.

Differentiating guideline requirements is appropriate and necessary. However, this should not simply mean adding more information for complex plans. The focus should be on ensuring all communications support consumer understanding, suitability and fair outcomes.

### **Adopt a two-tier approach to retail communications that matches obligations to consumer risks**

We propose a clear distinction between:

- information that must be standardised and prescriptive for all plans, and
- outcomes-based obligations that apply to additional information needed to support consumer understanding – for example information about more complex plan features, risks, product / service suitability or to otherwise support decision-making.

This approach provides clarity for retailers while better reflecting how consumers experience risk and complexity.

#### **1. Maintain a clear baseline of standardised information for all plans**

Certain information is fundamental to consumer protection and comparability and justifies a degree of prescription regardless of plan type. This information should be consistent, prominent and easy to locate across all bills and key communications. Standardising them across all plans reduces confusion and ensures that product differentiation does not come at the expense of core protections.

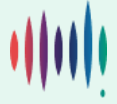
At a minimum, this could include information on:

- how prices are calculated and the main price components
- other fees and charges
- dispute resolution and complaints pathways
- hardship support and concessions
- life support and other critical protections

<sup>14</sup> ACCC, NEM Inquiry Report (December 2025), 29.

<sup>15</sup> Ibid, 42.

<sup>16</sup> ACCC, [Inquiry into the National Electricity Market report - December 2024](#) | ACCC, p.3; [NEM Inquiry Report \(December 2025\)](#).



- practical information about basic actions a customer can take to reduce their bill (noting some flexibility may be appropriate to account for different plan types).

## **2. Establish outcomes-based requirements for presenting additional information to support consumer understanding of plan suitability**

Beyond this baseline, guidelines should recognise that different plan types create different risks and information needs. Evidence from consumer research and regulatory reviews shows that complexity itself, rather than lack of engagement, is a major driver of confusion and poor outcomes.

Some plans include features that have the potential to deliver good value for consumers but can also increase consumer risk or require active behaviour to deliver value, for example:

- exposure to price variability or uncertainty, such as wholesale cost pass-through
- time-varying or multi-part tariffs
- subscription plans with thresholds or conditional pricing
- plans involving secondary settlement points or multiple metering arrangements
- bundled services or incentives linked to specific devices, platforms or third-party services.

While some elements of these plans (e.g. price components) should be subject to standardised requirements, the significant variability between plan features and information needs for consumers suggests highly prescriptive formatting requirements are unlikely to be most suited to improving consumer outcomes and may limit retailers' ability to improve how they explain plans and services as consumer needs change. Instead, the guidelines should specify the outcomes retailers must achieve through their communications.

Ultimately, consumers need help answering the question "is this plan right for me?" Consumers also need to be able to understand how they can get value from the plan while meeting their household energy needs.

Beyond the prescribed standard information, the guidelines could impose an outcomes-based obligation on retailers to ensure consumers can understand the plan and its suitability for their needs – both when signing up to the plan and on an ongoing basis. This includes whether the plan is likely to deliver value for a customer with particular usage patterns or behaviours.

For example, the guidelines could require retailers to demonstrate that a customer can reasonably:

- understand how the plan works in practice
- understand how and when different charges apply
- understand the behaviours or usage patterns needed for the plan to deliver value, such as shifting usage, meeting thresholds, or actively managing consumption
- understand the key risks, including bill variability or bill shock
- assess whether the plan is suitable for their circumstances and level of engagement



- understand any better alternatives for the customer's needs, how they can move plans and the costs or other implications of doing so (noting the better offer message partly addresses this).

To ensure consistency and comparability, the AER could require some level of standardisation (e.g. by requiring a regular plan suitability statement), while allowing retailers flexibility in how they meet the obligation.

This approach broadly aligns with a consumer duty-style obligation and reflects evidence that the effectiveness of communication should be judged by consumer understanding, not by the volume or format of information provided.

By clearly prescribing a small set of standard information for all plans and applying outcomes-based obligations for other necessary information, the guidelines can better support consumer understanding and suitability. This approach shifts the focus from volume and format of disclosure to whether communications genuinely help consumers understand how a plan works, what it will cost, and whether it is appropriate for their circumstances. Done well, this would improve consumer outcomes while giving retailers flexibility to innovate responsibly in an increasingly diverse retail energy market.

## Making plan names easier to understand

### 7. How could we improve transparency and reduce customer confusion in relation to energy plan names?

Energy plan names are an important signal consumers use to form expectations about price, value and suitability. When plan names are reused, misleading or poorly defined, they materially undermine consumer understanding and frustrate the intent of other consumer protections, including better offer messaging.

Evidence from regulators and consumer organisations shows that current plan naming practices are contributing to real and widespread harm.<sup>17</sup> The Victorian Essential Services Commission has found that around 360,000 consumers are on older, more expensive versions of same-named plans, with customers paying up to \$430 more per year than those on the newest version of the same plan.<sup>18</sup> This practice is a significant driver of loyalty penalties and disproportionately affects consumers who do not regularly re-engage with the market.

This issue has been addressed in Victoria through switching and pricing rules implemented by the ESC. From October 2026, retailers in Victoria will be required to clearly distinguish between different versions of plans in better offer messages, including through different names or version identifiers, and to support improved switching outcomes for customers.<sup>19</sup>

By contrast, under the NECF comparable switching obligations have not been introduced. This means clearer guidance on plan identification and naming is needed to reduce confusion, constrain misleading practices and ensure that better offer messaging is not undermined while broader national reforms continue to be considered.

<sup>17</sup> See generally CHOICE, [The Power of Confusion: CHOICE designated 'super' complaint on energy plans](#).

<sup>18</sup> ESC, [Victorian Energy Market Insights | Essential Services Commission](#).

<sup>19</sup> ESC, [New energy rules tackle unnecessary complexity around 'same name, different price' plans | Essential Services Commission](#).





## The health insurance analogy is of limited value for the energy sector

We agree with the AER that looking to other sectors, including health insurance, can be valuable when considering how plan names might support transparency and reduce confusion. However, the analogy has limits and should be applied with care in the energy context. We note consumers understand health insurance plans even less than energy plans.<sup>20</sup>

In health insurance, tiered products are intended to reflect different levels of coverage, and consumers may reasonably expect higher-tier products to deliver additional benefits or services. In electricity retailing, by contrast, the core service is the same across plans: electricity is supplied to the premises. Differences between plans relate primarily to price structures, conditions and incentives, not to the underlying service delivered.

As a result, value-based descriptors such as “extra value,” “saver” or “premium” risk being inherently misleading. Rather than signalling genuinely different service levels and helping consumers navigate options, these labels can often obscure the fact that consumers are paying different prices for the same core service. The CHOICE designated complaint highlights examples of poor-value plans promoting ‘savings’ that were more than other plans offered by the same retailer and in some cases higher than the retailer’s standing offer.<sup>21</sup>

In this context, plan names should support comparability and help consumers identify lower-cost options rather than legitimising price dispersion or discourage engagement. Clear, distinct and truthful plan names are a basic minimum consumers should be able to expect.

Useful insights can be drawn from the Senate Select Committee on Supermarket Prices, which examined how promotional labels and value cues can mislead consumers when not supported by clear, verifiable context. The Committee found that terms such as “special” or “discount” were often used in ways that made it difficult for consumers to assess whether they were receiving genuine value, particularly in the absence of clear reference pricing.<sup>22</sup> Additionally, a research paper commissioned by the ACCC found that consumers use promotion labels as a heuristic for good value:<sup>23</sup>

*“We have been trained since whenever we started shopping to pay attention to these cues in the store. So even if something isn’t a promotion, if it appears to be a promotion, people will be more likely to pay attention to it. Even if I realise it is not a price promotion, now that it has drawn my attention, I might still get it.”* – Professor Nitika Garg, consumer behaviour expert

The lesson for energy plan naming is not that names must be standardised, but that value-based plan names and ‘savings’ claims (if they should be permitted at all) should only be permitted where the value or saving implied is genuine and not merely promotional.

## Why plan names matter in practice

For many households and small businesses, the plan name is the most persistent and recognisable feature of their contract. Consumers reasonably assume that if they are on a plan with a particular name, and that same plan name continues to be advertised, they are on that plan, not a different version of the plan with higher rates. When retailers reuse plan names while materially changing prices or terms, that

<sup>20</sup> ECA, [Simplicity doesn’t equal higher engagement](#).

<sup>21</sup> CHOICE, [The Power of Confusion: CHOICE designated ‘super’ complaint on energy plans](#), 20.

<sup>22</sup> Senate Select Committee on Supermarket Prices, [Chapter 3 - The impact of supermarket prices on consumers – Parliament of Australia](#).

<sup>23</sup> The Behavioural Insights Team, [Applying Behavioural Insights to the ACCC Supermarkets Inquiry](#).





assumption no longer holds. The result is confusion, disengagement and a reduced likelihood that consumers will respond to better offer prompts or reassess whether their plan remains suitable.

This is not a marginal issue. ACCC found that 24 per cent of consumers receiving better offer messages were presented with plans that shared the same name as their current plan but had different prices.<sup>24</sup> CHOICE found that “for one retailer more than 50 per cent of customers received a ‘same name’ message.”<sup>25</sup> This undermines the credibility of better offer messaging and reinforces consumer distrust.

At a minimum, plan names should help consumers answer a simple question: “Am I still on the same plan I originally signed up to?” Where the answer is no, this should be made explicit. If a retailer continues to market a plan under a particular name, but an existing customer is now paying materially different prices or subject to materially different terms, that customer should not be treated as being on the same plan.

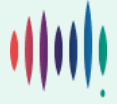
This does not require prescribing what plans must be called. It required retailers to be honest and explicit when a plan name no longer represents the product the customer is actually on.

This approach is also consistent with the AEMC’s Recommendation 1 from its Pricing Review which would require energy service providers to charge all customers on the same plan the same price. If adopted, this reform would have direct implications for plan names. Plan names would need to correspond to a single, publicly advertised price and a consistent set of material terms, rather than being reused across multiple versions of an offer with different prices for different customers.

Clear expectations that materially different offers should not share the same plan name would be consistent with the AEMC’s proposed a same-price, same-plan rule and reduce the scope for loyalty penalties to persist through naming practices. While plan naming guidance can complement any broader reforms it by ensuring that plan names accurately reflect the product customers are on and support clearer, more trustworthy communications.

<sup>24</sup> ACCC, 2024, Inquiry into the National Electricity Market report, December 2024, p. 12.

<sup>25</sup> CHOICE, The Power of Confusion: Designated complaint to the ACCC, 2025, p. 9.



### Example of issues with current practice

As a hypothetical example, a customer might sign up to a retailer's Saver Plan with a usage charge of 30 cents/kWh. Over the next year:

- the retailer increases the customer's rate to 40 cents/kWh
- the retailer releases its new Saver Plan to new customers with a usage charge of 25 cents/kWh (with the same supply charge as the original plan).

Under current practices, the customer may still be told they are on the Saver Plan, despite paying a higher price than customers on the currently marketed version of that plan.

This creates the following issues:

- the customer may be unclear which 'version' of the plan they are on (or that there are different versions of a plan with the same name)
- the customer may not act on better offer messages prompting them to switch to the (new) Saver Plan, believing they are already on that plan
- the customer is told they are on a 'saver' plan even though it is poorly priced and higher than the retailer's other plans.

Under a clearer plan identity approach retailers would not be able to refer to different plans by the same name, and plans that do not (or no longer) represent value or savings should not be permitted to have plan names that suggest this.

Clear and honest plan naming is a basic minimum consumers should be able to expect in an essential services market. If households are expected to shop around to get the best deal, the very least the market can do is make that task clearer and easier.

## Clarifying better offer messages:

### 8. How could we ensure better offer messages are clear, relevant and trusted?

Better offer messages can play an important role in alerting consumers when they are paying more than necessary. However, consumer research consistently indicates that their effectiveness depends on whether customers can quickly understand the message, trust it, and connect it to what they see on their bill. Evidence from consumer focus groups, behavioural testing and complaints analysis shows that where comparison messages refer to same-named plans, ineligible offers or savings that are difficult to verify, consumers are more likely to disengage rather than act.<sup>26</sup>

Research also highlights the structural limits of relying on switching prompts as a primary consumer protection. Participants identified multiple emotional and practical barriers to acting on better offer information, including inertia, fear of making the wrong decision, lack of confidence, and the time and effort required to compare plans. These barriers were most pronounced for consumers experiencing financial stress or vulnerability, who reported being least able to act on comparison information even where potential savings existed.<sup>27</sup> This reinforces the importance of treating better offer messages as a safety net rather than a primary consumer protection mechanism, and of ensuring stronger default protections operate alongside them.

<sup>26</sup> Multiple sources: ESC, Whereto Research: Energy Retail Code of Practice Review, consumer focus groups; Behavioural Insights Team, CHOICE designated complaint to the ACCC.

<sup>27</sup> Whereto, commissioned by ESC Vic.



The AEMC's 'same plan, same price' recommendation, if adopted, is likely to have significant implications for better offer messages. Rather than retailers having multiple differently-priced but otherwise similar plans (e.g. multiple flat tariff plans) the AEMC suggests its proposal would require retailers' plans to be 'meaningfully different'. Better offer messages could therefore shift toward helping consumers identify genuinely different offers that provide better value for the consumer or better suit their usage patterns.

In this context, in addition to explaining savings, better offer messages might need to help consumers understand what is materially different about the alternative offer, and the circumstances in which a customer may or may not be better off. This increases the importance of ensuring that better offer messages only point customers to offers they are realistically eligible for, rather than plans that are cheaper in theory but inaccessible or unsuitable in practice.

Emerging plan types further underscore these challenges.<sup>28</sup> The proposed Solar Sharer Offer, for example, is highly sensitive to a customer's usage patterns and ability to shift their usage. Whether a consumer is better off depends on when and how they use energy, not just on headline rates. In these circumstances, standard better offer messages risk being misleading if they present such offers as categorically "better" without clearly reflecting usage-dependent outcomes. This highlights the need for caution in how better offers and comparison messages are applied to highly conditional or behaviour dependent plans.

More broadly, success should not be assessed by engagement metrics such as increased visits to Energy Made Easy. As evidence discussed above shows, people use information that is simple, credible and clearly connected to their own situation, and disengage quickly when messages feel unrealistic or disconnected from their experience. Strengthening better offer messages depends less on refinements to presentation and more on addressing the plan structures and pricing practices that undermine trust and require ongoing consumer vigilance.

## **Providing better offer messages in more places:**

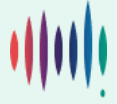
### **9. Where should customers receive better offer messages and how could we ensure the messages are clear and appropriate for different kinds of communications?**

Better offer messages are most effective when they appear at points where customers are already engaging with price and payment information and have enough context to understand and act.

Bills and bill-related communications should remain the primary location for better offer messages. This includes covering emails or bill summaries sent at the same time as the bill. These touchpoints allow comparison information to be presented alongside usage, costs and due dates, which is critical for understanding.

Short-form communications such as SMS messages or app notifications may not be well suited to detailed comparison information. These channels have limited space and are typically used as alerts, not explanations. Requiring full better offer messages in these formats risks oversimplification and confusion. At most, these communications should direct customers to their bill or account where the full information is available.

<sup>28</sup> See ECA's further feedback on the SSO here: [Submission to the Department of Climate Change, Energy, the Environment and Water \(DCCEE\) on the Solar Sharer Offer Consultation Paper 2025-26 | Energy Consumers Australia](#)



There is a strong case for including comparison information in benefit change notices, given these signal a change in plan value. However, any better offer message should ensure the message is clearly connected to what has changed and what it means for what the customer will pay, rather than functioning as a generic switching prompt.

## **Defining the deemed better offer:**

### **10. What should we consider in defining the term ‘deemed better offer’, including in relation to how better offers are identified and how much a customer would need to save?**

Defining a deemed better offer is a consequential decision that shapes how retailers assess plan suitability, how financial benefits are calculated, and how hardship protections operate in practice. The definition therefore needs to be simple, objective and strongly grounded in consumer outcomes, particularly price and value.

At a minimum, a deemed better offer should be identified based on the customer’s total expected cost, using the customer’s actual usage history where available. The comparison should only consider plans the customer is eligible to access, and non-financial benefits should be excluded, as they do not reduce energy costs and are difficult to value consistently. In addition to the difference in total expected cost, the AER should specify the essential information that must be communicated so that hardship customers can understand why the alternative is expected to be better and whether it is realistically workable for them.

Finally, the deemed offer should operate as a protection, not merely as a signalling or disclosure mechanism. Thresholds, exclusions or administrative shortcuts should not result in hardship customers remaining on materially higher-cost plans when cheaper eligible options exist. The intent of the reform is to stop hardship customers being quietly disadvantaged.

## **Making fees and charges easier to understand:**

### **11. How could we improve transparency of fees and charges in plan information and on Energy Made Easy without making plan information too complex for customers?**

Fees and charges can materially affect what customers pay, yet they are often difficult to understand or easy to overlook. Improving transparency should focus on making material and commonly incurred fees more visible and meaningful, rather than increasing the volume of disclosure. Priority should be given to fees that are likely to affect most customers or lead to bill shock, such as exit fees, late payment fees, and connection or reconnection charges. These fees should be clearly identified, explained in plain language, and presented in context so customers understand when a fee applies and how likely it is to affect them, rather than being listed as technical line items.

On Energy Made Easy, fees should be displayed consistently across plans so customers can easily compare like with like. This includes standardising fee categories and requiring clear explanations where ‘other’ categories are used. For example, in the figure below, the use of multiple “other fees” within a plan, without explanation of what those fees relate to undermines transparency and comparability.

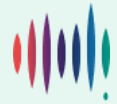


Figure 2 - Small business customer's comparison view of Energy Made Easy (accessed 16/12/2025)

next business energy	red energy	ActewAGL
<a href="#">Next Assured Bus 12% GTD ACTEWP (90)</a>	<a href="#">Red Business Saver</a>	<a href="#">Business Saver time-of-use</a>
++2c/kWh Solar feed-in tariff	++4c/kWh Solar feed-in tariff	++5c/kWh Solar feed-in tariff
✗ No demand charges	✗ No demand charges	✗ No demand charges
✗ No GreenPower	✓ GreenPower	✓ GreenPower
Special offers		
The estimated cost above doesn't include any of these special offers.		
✗ No special offers available	✗ No special offers available	✗ No special offers available
Discounts		
Guaranteed discounts	✗ No discounts available	✗ No discounts available
• Guaranteed discount on total bill – 12%		
Eligibility requirements		
✗ No eligibility requirements	✗ No eligibility requirements	✗ No eligibility requirements
Fees		
<ul style="list-style-type: none"> <li>Credit card payment fee - 1.95%</li> <li>Payment processing fee - 0.77%</li> <li>Disconnection fee - \$102.40</li> <li>Reconnection fee - \$102.40</li> <li>Other Fee - \$77.00</li> <li>Other Fee - \$77.00</li> </ul>	<ul style="list-style-type: none"> <li>One off: Move-in / new connection fee - \$112.44</li> <li>One off: Metering Cost -</li> <li>Disconnection fee - \$112.44</li> </ul>	<ul style="list-style-type: none"> <li>Credit card payment fee - 0.5%</li> <li>Payment processing fee - 0.5%</li> <li>Late payment fee - \$15.00</li> <li>Disconnection fee - \$110.22</li> <li>Reconnection fee - \$112.44</li> <li>Direct debit dishonour fee - \$1.09</li> <li>Other Fee - \$49.93</li> </ul>

The aim should be to reduce cognitive burden and help consumers understand whether fees materially affect the value of a plan, and not to require customers to interpret complex or ambiguous pricing structures themselves. Better fee transparency should support informed comparison and decision-making, rather than adding another layer of complexity to plan information.

## Increasing transparency for embedded network customers:

### 12. What information would be useful for customers in embedded networks to understand their energy plan and how it compares with others in the market?

We support the AER's intent to bridge the transparency gap between embedded network customers supplied by exempt sellers and those supplied by authorised retailers. As the consultation paper notes, customers in embedded networks often have less choice and weaker price transparency than on market customers. In that context, the information provided needs to do two things: clearly explain the customer's actual supply situation, and provide a simple, comparable price benchmark that allows them to judge whether they are paying a reasonable price.

Any improvements to the AER's guidelines should therefore focus on giving these consumers the same core information that on-market customers receive, presented in a way tailored to their circumstances (for example, taking into account where the consumer has reduced choice over their plan). As with protections, embedded network customers should receive the same baseline level of transparency as any other consumer. The protection they receive should not depend on where they live or the structure of their supply arrangement.



## Making hardship policies more consumer friendly

### 13. What specific changes could we make to the standardised statements in hardship policies to make them more consumer friendly?

When the AER's Customer Hardship Policy Guideline was introduced in 2019, its purpose was to strengthen protections for customers experiencing payment difficulty by addressing rising energy debt, low rates of successful exits from hardship programs, and high number of electricity disconnections.<sup>29</sup> Six years on, these problems remain largely unchanged.

The AER's Retail Markets Report 2024–25 shows that, despite temporary relief measures delivered by federal and some state governments, energy affordability remains a key concern, particularly for low-income households.<sup>30</sup> More households are carrying energy debt, average debt levels have increased, and support often comes too late when debt is already high more difficult to resolve. For instance, one in three customers in energy debt are not receiving any form of assistance from their retailer. Disconnections for non-payment remain prevalent, and retailers rarely offer assistance that improves long-term affordability, such as energy efficiency measures.

These outcomes suggest that the Customer Hardship Policy Guideline's current design, including its emphasis on standardised statements and prescribed language, has not translated into meaningful changes in retailer practices, processes and behaviours. While retailers may have complied with the form of the requirements, this has not consistently delivered the substance of effective, timely and sustainable support for customers experiencing payment difficulty.

Therefore, making standardised statements more consumer friendly is not the change that will enable more effective and sustainable support. Rewriting or simplifying these statements alone will not correct the deeper issues that hardship support is often too slow, too narrow, and insufficiently focused on reducing debt and keeping people connected. The risk is that further refinements to wording create the appearance of improvement without changing how customers are actually supported.

To achieve its purpose, the Customer Hardship Policy Guideline should focus on the key outcomes expected from retailer practices when engaging and supporting consumers experiencing payment difficulty. This would help shift the mindset of retailers by requiring them to consider the consequences of their actions, providing guidance on how retailers can demonstrate that their hardship policy is effectively leading to:

- lower levels of debt across customers,
- lower ongoing energy costs for customers facing payment difficulty (e.g., through energy efficiency measures),
- early and proactive identification of and assistance to customers facing payment difficulty (average age of debt significantly reduced), and
- a significantly lower number of disconnections for non-payment due to payment difficulty.

<sup>29</sup> AER, [Customer hardship policy guideline](#) | Australian Energy Regulator (AER).

<sup>30</sup> AER, [Annual retail markets report 2024–25](#) | Australian Energy Regulator (AER).





For example, Ofgem's Consumer Outcomes Consultation Paper provides this as "Customers in, or at risk of debt or arrears receive proactive, tailored, and consistent customer service that meets their needs and helps them sustainably pay towards their debt or arrears."<sup>31</sup>

If the AER nevertheless chooses to revise standardised statements, it should consider models that remove stigma, improve accessibility, and make it clear that the support available is framed as an entitlement, not a favour that retailers are doing. For example, Mercury NZ's "Consumer Care Policy" uses plain language, avoids the term "hardship," and clearly outlines the support journey in a non-judgmental way.<sup>32</sup> Similar language around care has been used in the water sector.<sup>33</sup>

## Helping customers access concessions and rebates:

### 14. What concession and rebate information should be included on energy bills?

Concession and rebate information on energy bills should enable consumers to easily identify whether they are receiving all the assistance they are entitled to, where they are not, understand what to do next. This is particularly important for households experiencing vulnerability or hardship, yet uptake remains unacceptably low.

The 2025 Consumer Energy Report Card shows that among households experiencing multiple hardship indicators, nearly two-thirds (65 per cent) had not enrolled in a retailer hardship program, around one-third (30%) had not contacted their retailer for help, and almost half (49 per cent) had not applied for government support.<sup>34</sup> In some jurisdictions, significant proportions of eligible households do not receive energy concessions, including 35 per cent in NSW, 38 per cent in South Australia, 31 per cent in the ACT, 29 per cent in Queensland, and 19 per cent in Tasmania.<sup>35</sup> Even among concession card holders, just under 62 per cent had not applied energy concessions to their energy bill in the past six months.<sup>36</sup>

These outcomes reflect a system that remains fragmented and overly reliant on consumers navigating complex and largely manual processes. As we have previously submitted to the AEMC, these outcomes are not the result of individual inaction but a system that "was not designed with the consumer in mind".<sup>37</sup> While government work towards automated concessions, improving the visibility and clarity of concession information on bills is an important interim step.

The current guidelines address concessions across the Customer Hardship Policy, Better Bills and the Retail Pricing information guidelines serving a distinct function, and none is intended on its own to resolve concession uptake. This review therefore presents a valuable opportunity to better align these guidelines around a shared consumer outcome: ensuring eligible consumers can easily see whether a concession has been applied and understand what to do if it has not. While improving concession information on bills will not fix the structural limitations of the current framework, clearer and more consistent information on bills would better support the intent of the existing guidelines, encourage

<sup>31</sup> Ofgem, [Energy consumer outcomes](#).

<sup>32</sup> Mercury NZ, [Consumer care policy](#).

<sup>33</sup> Yarra Valley Water, [WaterCare | Yarra Valley Water](#).

<sup>34</sup> ECA, Consumer Energy Report Card – Understanding and measuring energy hardship in Australia (June 2025), p. 16.

<sup>35</sup> Consumer Policy Research Paper, Mind the Gap (2022), p. 10.

<sup>36</sup> EWON, EWQQ, EWOSA, Joint Submission to AEMC on Improving the application to bills consultation paper (March 2025), p. 2.

<sup>37</sup> ECA, [Submission to the Australian Energy Market Commission \(AEMC\) on Improving the application of concessions to bills draft determination](#) | Energy Consumers Australia.





earlier engagement with support, and reduce the number of eligible households missing out on assistance that already exists.

[End of submission]

**The national voice for residential and  
small business energy consumers**



PO Box A989,  
Sydney South NSW 1235  
T 02 9220 5500

[energyconsumersaustralia.com.au](http://energyconsumersaustralia.com.au)