

## Media Release: New requirements to strengthen protections for electricity consumers

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## New requirements to strengthen protections for electricity consumers welcomed

A decision by the regulator, the Electricity Authority, means that all electricity retailers will finally have to provide basic protections for residential electricity consumers.

"This is fantastic news for consumers - all electricity retailers will now have to provide a comprehensive set of conditions to protect the rights of consumers," said Deborah Hart, Chair of the Consumer Advocacy Council.

"While some retailers are voluntarily adhering to the voluntary guidelines, others are not. This is evidenced by a second review of how retailers are adhering to the Guidelines released by the regulator today.

"We are delighted that the Authority listened to the weight of submissions, including ours. This will give consumers certainty that no matter who they buy their power from, they will get the same consistent and fair treatment.

"We applaud the regulator for making these moves. Electricity is an essentialservice which is critical to the health and wellbeing of consumers so a set of mandatory standard conditions is absolutely vital."

The consumer electricity watchdog was responding to the Electricity Authority's decision today to mandate 9 of the 10 parts of the Consumer Care Guidelines and seek further consultation on part 10 relating to information disclosure.

<u>Improving electricity consumer protections and choice - Electricity</u>
Authority(external link)

The Authority's decision means retailers will, from 1 January 2025, have to ensure they provide a range of protections for all consumers, including:

- publishing a consumer care policy
- how they must deal with consumers facing difficulties paying bills
- how they must act when considering disconnecting a customer for not paying their bills
- how they must care for a customer who is medically dependent on electricity.



"Electricity bills are a big concern for many with an estimated 110,000 householders in energy hardship meaning they struggle to pay bills and keep their homes warm. These changes will make the obligations of retailers much clearer when dealing with these consumers which is great news," said Hart.

"In the past we have heard some retailers say such protections could cost consumers. The sector by and large is profitable enough to absorb any costs from these requirements and we look forward to all retailers implementing these protections.

"The Electricity Authority has recently been given an additional statutory consumer protection mandate. Small businesses are part of this, but not protected by these new requirements. We will be raising this with the Authority as small businesses, like vulnerable households, can also struggle with bills especially during economic downturns like now.

"The Council has also advocated for retailers to be required to regularly tell consumers that they are on the right plan according to their consumption.

"Retailers in Australia have to provide a 'best plan' notice at least every 3 months, and that can help consumers to make decisions to save money by shifting to another plan.

"With so many price plans, making the right choice can be challenging. So it's pleasing to see the regulator today launch a consultation on options to support consumer plan comparisons and switching.

"This upcoming consultation includes the possibility of making a 'best plan' notice mandatory. We will continue to push for this given that 9 out of 10 consumers tell us they want it," said Deborah Hart.