

14 July 2017

Ms Sarah Proudfoot
General Manager
Retail Markets Branch
Australian Energy Regulator

AERInquiry@aer.gov.au

Dear Ms Proudfoot

Thank you for the opportunity to provide a brief comment to the AER consultation process on access to dispute resolution services for exempt customers under the National Energy Law (Retail Law).

COTA Australia is the national consumer peak body for older Australians. Its members are the eight State and Territory COTAs (Councils on the Ageing), which have around 30,000 individual members and more than 1,000 seniors' organisation members, jointly representing over 500,000 older Australians. We are represented on the AER Customer Consultative Group by Robyn Robinson, and energy issues are an important and growing concern for our constituency of older Australians.

Ms Robinson has often provided the CCG and AER officers more broadly with input on embedded networks and older consumers, so you will be aware of the range of issues of concern to COTA. In this brief contribution we will concentrate our comments on residential consumers only.

COTA is very concerned about the treatment of some older consumers in embedded energy networks and the absence of recourse by them to the Energy Ombudsman. Our main theme in this contribution to your consultation process is that:

- older people are likely to represent a significant proportion of those accessing energy via embedded networks (in Retirement Villages, Manufactured Home Parks and, following downsizing, apartment and unit complexes);
- some of the stories we have heard about misconduct by some managers of embedded networks in regard to older consumers are extreme, deeply concerning and almost equating to elder abuse or possibly illegal behaviour;
- we don't know the scale of this problem because residents either don't know where to complain, or they are too scared of the consequences for their ongoing tenure; and
- it is unacceptable and discriminatory that consumers drawing on embedded energy networks do not have the same recourse as other energy consumers to the main source of reliable, free dispute resolution through the dedicated energy ombudsman network.

We make the following comments in response to several of the consultation questions:

- Question 2
 - COTA supports alignment of the two guidelines where it results in clearer, simpler, easier-to-understand, easier-to-access provisions for exempt customers;
- Question 4
 - COTA has seen cases that indicate a low level of compliance by exempt entities with the information provision requirements under either set of the guidelines. As part of this review, we encourage the AER to adopt arrangements which will result in a greater level of compliance with information provisions;
- Question 6
 - Consideration should be given to the seriousness and impact of the disputes encountered, not just the numbers;
- Question 7
 - The majority of the disputes we have seen have related to billing. We have not yet had disputes related to bundled services drawn to our attention, but that does not mean our constituency has not experienced them;
- Question 11
 - External avenues such as civil and administrative tribunals have proven to be too difficult and costly for older low-income & vulnerable consumers to access. These avenues should not be viewed as adequately replacing access to mainstream dispute resolution through the specialist channel of the energy ombudsman offices.

COTA appreciates the AER addressing the impact on consumers of current arrangements regarding exempt entities under the National Energy Law (Retail Law). We would be happy to meet with the AER to expand further on our concerns.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Ian Yates', written over a large, light-colored scribble or background mark.

Ian Yates AM
Chief Executive