

Submission to the Essential Services Commission's Energy Retail Code of Practice Review

Date of submission: 19 July 2024

About Financial Counselling Victoria and the financial counselling sector

Financial Counselling Victoria (FCVic) is the peak body and professional association for financial counsellors in Victoria. We provide resources and support to financial counsellors and their agencies who assist vulnerable Victorians experiencing financial difficulty. We work with governments, banks, utilities, debt collection and other stakeholders to improve approaches to financial difficulty for vulnerable Victorians.

Financial counselling is a free, confidential, and independent service. It provides vital help for people experiencing, or at risk of, financial hardship. Financial counsellors are uniquely qualified professionals, specially trained to deal with complex financial matters. They assist more than 23,000 Victorians each year – including people impacted by catastrophic natural disasters, newly arrived migrants and refugees, and more than 3,800 family violence victim-survivors.

About this submission

We welcome the opportunity to provide a submission to the Essential Services Commission's (ESC) Energy Retail Code of Practice (ERCOP) Review.

Our submission is informed by what our members have told us about the needs and experiences of vulnerable consumers within the Victorian energy market. We give special thanks to the members of the FCVic Utilities Working Group for sharing their expertise, experience with the most vulnerable consumers, and recommendations for regulating essential services and ensuring that they are fair for all.

Further questions about this submission can be sent to [REDACTED]

Our commentary and recommendations

The experiences and recommendations included below are drawn from the members of FCVic's Utilities Working Group. Much of this content will not be new to the ESC, who have previously attended meetings of the Utilities Working Group to consult on consumer experiences.

We make an initial comment that financial counsellors only see a small proportion of those most vulnerable who experience fuel poverty. For many more vulnerable consumers, without appropriate adequate support from their energy retailers, they

continue to struggle to afford a service essential for life. Ensuring that the regulatory framework is robust and addresses the diverse needs of vulnerable consumers is critical.

Protections for consumers experiencing vulnerability

Financial counsellors work with clients who all experience vulnerability to some degree – whether it be demographic (e.g. age, cultural and linguistic background, disability), experiential (family violence, post-natural disaster, unemployment), social (income level, class, community connections) or environmental (housing status and quality).

Family violence protections

When it comes to strengthening family violence protections, we have a number of key recommendations. Firstly, we agree that the Victorian framework can be strengthened by including the additional rules that are present under the National Energy Retail Rules, as listed on page 21 of the Issues Paper.

We suggest that these can be further enhanced by an understanding of the need to take a holistic long-term approach in acknowledging that all family violence can lead to long-term financial hardship and impact for victim-survivors. With this understanding, we suggest that energy debt waivers are the only real option to properly support women and children in their recovery from family violence.

We note that in cases involving family violence and financial abuse, financial counsellors find that this usually involves avoiding putting the name of the perpetrator on the bills, so that the energy retailer is not able to view the debt as a joint debt but rather the debt of one person, the victim-survivor. This is further exacerbated when retailers insist on only using one name on a bill.

Understanding financial drivers for energy retailers, where debt waivers may not be possible, we recommend that victim-survivors of family violence should never have their energy debts referred to debt collectors. Given safety risks, these should always be handled by the energy retailer themselves, regardless of the debt amount.

Where debt collectors are used, we suggest that there should be requirements placed upon energy retailers to ensure that the debt collector used is subject to the same requirements around family violence responses – in terms of quality of training and internal policies.

Additionally, recognising that there may be situations where family violence experiences are not identified until after a debt has gone to collections, retailers should then be required to ensure their contracts with debt collectors include clauses to ‘buy back’ debts where family violence is later identified.

Specialist family violence financial counsellors have reported excessive energy debts – one financial counsellor noted that *“I have seen many examples in my previous casework of clients accruing energy bills in excess of \$10,000 they were never going to be able to pay off.”*

Meaningful limitations to the amount of energy debt that can be accumulated by consumers are one of the following key enhancements that we recommend to improve protections for consumers experiencing vulnerability.

On an additional note, we have been made aware of cases where family violence victim-survivors who are setting up new residences have been denied access to new gas/energy connections for a variety of reasons including 'a bad credit history'. We believe that this has occurred even in cases where the victim-survivor has previously had an account with the same retailer at another residence. The victim-survivor was then left without a gas connection to their home, until they were able to see a financial counsellor who was able to advocate on their behalf to get connected.

This speaks to a two-fold need for reform – firstly for there to be a review of the Retailer of Last Resort scheme (see more on pages 11 and 12 of this submission), and secondly in the interim, to require retailers to review their intake and account setup processes to ensure that vulnerable people are not left behind.

In the example given, the retailer should have asked if there was a reason why the victim-survivor has a bad credit history. At this point, the victim-survivor could have explained their history of family violence and financial abuse, and how their circumstances have since changed. The retailer could then make a more informed decision about the individual's eligibility for connection.

Identifying customers experiencing vulnerability

At a minimum, retailers should be required to have internal processes to proactively identify and contact customers who may require hardship assistance, recognising factors including:

- Demographic factors such as disability, cultural background, languages spoken
- Experiences including family violence, natural disasters, chronic health conditions
- Evidence of financial and psychological stress, including through avoidance behaviours and language
- Income levels and payment types
- Current balance on the energy account
- Evidence of drastically reduced or increased energy usage

The first two dot points are self-explanatory in terms of how these factors may add to a customer's vulnerability and contribute to their need for financial assistance - though we note that retailer responses even in these circumstances are not ideal with one financial counsellor reporting that a client who doesn't speak English was not offered an interpreter by their energy retailer despite their clear need for assistance with mounting energy debts. We provide further detail on the final four points below.

Evidence of financial and psychological stress

Financial counsellors report that people experiencing financial and psychological stress can exhibit different behaviours – not all customers will directly say that they cannot afford a payment, and the retailer's customer service representative may need to be more proactive in gently and compassionately asking if the customer requires assistance in meeting payments.

There should be an awareness that avoidance behaviours (e.g. avoiding bills, phone calls, and attempts at communication) can occur when an individual cannot see a solution to a problem. There is then an onus on the retailer to be proactive in offering solutions that are realistic and actionable, to assist the customer in resolving their situation.

Income levels and payment types

We recommend that where consumers have applied for concessions on their account, have previously received government relief grants or payments such as the Utility Relief Grant Scheme (URGS), or have chosen to pay their account through mechanisms like Centrepay, then it should be taken for granted that the individual should be eligible for ongoing payment difficulty protections without requiring further evidence.

Financial counsellors have reported that some clients are using 'Buy Now Pay Later' (BNPL) lines of credit to pay their utility bills, and that it is a reliable indicator of financial stress. Where BNPL is being used to pay utility bills, we recommend that this be noted as an early identifier of payment difficulty.

We note that currently the problem is often that retailers view Centrepay and BNPL as payment methods. We argue that use of these financial products is evidence of a payment plan designed to assist consumers in financial hardship, which should therefore be eligible for payment difficulty protections.

Current balance on the energy account

Further, we suggest that the current balance on the energy account should be a trigger point for the retailer to proactively contact the consumer and commence a discussion about any entitlements that the consumer may be entitled to under payment difficulty protections.

We note that account balances may vary depending on the number of residents in the household, account type, energy plan and other factors, and so a 'typical account balance' will look different to different households. We suggest that given the amount of data on energy usage and payment frequency available to retailers, that a general rule for triggering payment difficulty protections may be where a household has missed payments for two invoices (if billed monthly) or one payment cycle (if billed less frequently – e.g. quarterly).

We recommend this time-based, invoice-frequency approach over a set dollar amount approach, especially as the value of a dollar amount will vary greatly over time as costs for energy continue to increase. We have seen in Victoria how quickly the \$55 payment difficulty threshold becomes obsolete when this can be the cost of two weeks of energy usage in a standard household.

This proactive early engagement with consumers will help to address the risk of consumers running up extremely high energy debts which will be exponentially difficult to address, noting that data from the National Debt Helpline is showing that the average utility debt for callers is over \$2,600¹.

As a further point, we suggest that there could be limits placed on the level of debt that can be accrued on energy bills. Further work is required on this recommendation.

Evidence of drastically reduced energy usage

We suggest that retailers should be obliged to monitor where consumers energy usage rates dramatically decrease beyond what may be typical through standard cost-saving mechanisms. Financial counsellors report that their clients in financial hardship will

¹ Consumer Action Law Centre, *Energy Assistance Report 4th Edition* June 2024

choose to not use energy to manage their energy bills – often to dramatic levels which are impacting on overall health and wellbeing.

While we acknowledge that many households may undertake energy conservation to some degree, when it becomes evident that people are choosing to not use heating in a badly-insulated home in winter, then this becomes a human rights issue around fuel poverty. Retailers have a role to play in using their data to identify when this is happening and proactively reaching out to consumers to understand their usage patterns and find ways to address this experience of fuel poverty.

When it comes to drastically increased utility usage, a financial counsellor has reported many cases of energy bills in excess of \$2000 in which the consumer stated that the high energy usage was due to equipment problems or moving to a poorly maintained home. This is particularly common if the property is owned by a landlord (social housing or private) who was alleged to be very tardy with repairs or replacing inefficient technology. In other cases, it took too long to identify the repair was needed and utility bills exploded dramatically.

We suggest that in cases where it is evident that drastically increased utility usage is due to equipment failure outside the control of the consumer, there should be a recognition of vulnerability and waivers applied. Additionally, the energy industry has an opportunity here to play a role in advocating for suitable standards in rental properties to manage energy usage for their vulnerable customers, recognising that individual behavioural change practices can only go so far when considering the structural defects in the system.

Aligning systems for automatic identification of concessions

Currently, between 7-22 per cent of Victorians who are eligible for utility relief concessions are not receiving these concessions². The current application process is highly manual, inefficient, and outdated. The process is expensive for retailers, difficult to navigate for consumers, and relies on people being proactive in keeping information up-to-date with multiple service providers.

We suggest that rather than requiring proactive application for concessions and relief schemes by consumers, the energy sector should work on alignment of systems with government services. If all people receiving Centrelink payments were able to have their energy concessions applied automatically due to systems integration, it would ensure that all those who are eligible, will receive their concession automatically. This integration should be regularly updated and reviewed to capture changes to Centrelink or health care entitlements.

This would have benefits for both vulnerable consumers and energy retailers. The cost burden of missing out on concessions is more likely to occur for vulnerable consumers who have the least capacity to check that every concession has been applied to every bill. The cost impost on every retailer is due to an inefficient, manual approach when customers commence with the business, experience a change in circumstances, are unsure if they qualify and when in financial hardship. Applying concessions appropriately and automatically across all bills will address both these issues.

² Consumer Policy Research Centre, *Mind the Gap - Identifying the gap between energy concession eligibility and concessions received*, November 2022

Proactive onus on the retailer

We recommend that a general principle that should be included in any framework should be related to placing the onus of assistance on the retailer rather than the consumer – for the retailer to be proactive about providing hardship assistance, rather than relying on the consumer to actively request assistance. This would involve all retailers to do, amongst other things:

- identifying and contacting customers who may require hardship assistance per the factors identified in our response above
- be consistent in how ‘best offers’ are applied – we recommend that any plan changes are applied from the first day of the current billing cycle
- vary payment plan periods beyond a standard two years, in response to individual incomes and debt levels
- create flexible supports and options that better respond to systemic hardship rather than just short-term hardship – including debt waivers and options like separating arrears from current accounts for payment plan purposes
- understand that in certain circumstances, evidentiary documentation around experiences requiring hardship may not be able (and should not be required) to be produced – e.g. family violence or natural disasters
- remove any ‘poverty premium’ products from their range, e.g. where people are charged more if they choose not to direct debit their payments
- proactively assist consumers to apply for any valid concessions or relief schemes

We note that in the points above, we have not recommended the ‘obligation to place debt on hold for six months’ in the current rules, as detailed from page 26 in the Issues Paper. While elements of this obligation are useful, such as protecting the consumer against disconnection during this period, overall we believe that debt moratoriums without meaningful and comprehensive engagement and assistance in the interim for a vulnerable consumer to improve long-term outcomes, often just delays a poor end result.

We acknowledge that there may be exceptions to this – for instance where the consumer has adequate evidence that they will have an increased capacity to pay their energy debts / usage in six months time (e.g. they are waiting for the proceeds of a property sale). Generally however, debt moratoriums are not useful without retailer actions to reduce debts or to ensure energy affordability moving forward.

Further to the section on URGS as detailed from page 29 in the Issues Paper, we note on the last point above relating to proactive assistance to apply for concessions, that while in Victoria, retailers are financially incentivised to assist consumers to apply for the Utility Relief Grant Scheme, there are many reports of retailers who make it difficult for consumers to access the scheme.

Reports from Financial Counsellors

[Energy retailer] are refusing to complete the URGS (Utility Relief Grant Scheme) form with clients over the phone, even though they are required to do so by the Energy and Water Ombudsman Victoria and Essential Services Commission. They insist on sending the forms out to the client to complete themselves.

[Energy Retailer] cold-called me and told me that they had a client who needed me to complete the URGS for them right there and then. This client wasn't even a client of [financial counselling service], they just happened to live in the same suburb. The representative argued that it was my job to assist vulnerable people, not their job.

Situations like the above can be improved by stronger obligations in the ERCOP requiring all retailer customer service representatives to undergo mandatory standardised training in the URGS. This could perhaps be centralised through an appropriate service such as the Energy and Water Ombudsman Victoria (EWOV) in the form of an eLearning module or similar, and requirements for evidence of completion of this module to be stored in employee HR records and accessible by EWOV in their investigations and complaints management.

We recognise that some retailers may have employees are not based in Australia, or who may support customers in states other than Victoria – however, we argue that this is a minimum obligation upon retailers to provide practical assistance for those who are most vulnerable, and mandated training is appropriate to ensure a consistency and quality of customer service.

Further, while we understand the statutory limitations of the ESC in addressing the design of the URGS, we believe that there is still an advocacy role that can be played by the ESC with the Victorian Government and the Department of Families, Fairness and Housing on sharing data and information that can inform their design of the scheme. In particular, we recommend that the scheme should be reviewed in relation to:

- eligibility criteria including those in financial hardship who are not in receipt of a government concession
- total amount of scheme value available to eligible individuals
- best use of the scheme to ensure that it benefits the individual, not the retailer

On the point above, a financial counsellor noted *“URGS payments should only be used where it genuinely benefits the individual in making their energy costs more manageable, e.g. reducing a \$1,000 debt to a \$350 debt. In situations where energy debts in the multiple of thousands of dollars, significantly exceed the amount of the URGS payments, it should be recognised that use of the URGS only benefits the retailer but not the individual who will still owe an unmanageable amount of debt, with no further assistance from the retailer by way of realistic payment plans or debt waivers.”*

Training requirements

To assist in acting on the proactive onus on retailers to provide assistance, we recommend that there should be designated financial hardship teams in retailers who sit separately to payments and collections teams. These hardship teams should have

mandated training on trauma-informed care, vulnerabilities such as family violence, referral pathways, access to a range of interpreters, and more.

The training for these hardship team employees should be standardised across the industry to ensure a consistent response regardless of the retailer. It should be delivered by those who are experts in the field and are already working with vulnerable consumers, such as financial counsellors, the community sector, or the industry ombudsman. The type of training, requirements around the expertise of trainers, and the frequency of training could be set out in the framework.

We believe that improved and mandated training for a dedicated financial hardship team will better address some of the issues reported by financial counsellors which reflect extreme and unrealistic demands on payment plans by retailers, as well as unfair referrals onto debt collectors.

Case Study: Unrealistic payment plans

Jean* is on a Disability Support Pension, living in private rental accommodation. She has \$1,500 in arrears on her energy account due to financial hardship and is currently paying \$40/fortnight on a payment plan with her energy provider. She has already accessed the Utility Relief Grant Scheme, and the Victorian Government's Power Saving Bonus to reduce her arrears.

She is being pressured by the provider to pay more, which she cannot afford. Jean is upset, frustrated, and is experiencing significant stress and anxiety.

Understanding of the role of financial counsellors

Financial counsellors are accredited professionals who are trained to assist clients in financial hardship. This can include negotiating on behalf of clients with retailers on accounts in arrears. However, inconsistencies in frontline worker training across different retailers can occasionally mean that the professional role of financial counsellors is not recognised and third party authorisations not accepted. This then results in poor experiences for an already-vulnerable client.

Furthering our recommendation on training for designated financial hardship teams, we recommend that retailer processes and training for personnel should include comprehensive information on the role of financial counsellors, to ensure that the most vulnerable consumers are supported and have access to professional representation. There should also be designated access to these teams for financial counsellors.

This would help to address cases such as one where a financial counsellor had their third party authorisation declined by the hardship team, a situation which was only resolved after they called back and requested to be put through to internal dispute resolution (IDR). While the IDR representative was very apologetic and helpful in actioning the financial counsellor's requests on behalf of their client, we maintain that this situation should not have required the threat of a complaint – hardship teams should be suitably trained to begin with.

At the same time, it is critical to understand that currently, while consumers represented by financial counsellors and other consumer advocates are well-supported to exercise their rights, the quality of experiences of those who are unrepresented appears to vary.

Charlie has a valid concession card, but because the name on his energy account was slightly different to the name on his concession card (e.g. Charlie vs Charles), the retailer refused to add his concession. A financial counsellor helped Charlie to make a complaint to the Ombudsman, and through this, got the energy retailer to change the name on the account so that he could get the concession rate, backdated a year.*

This is one example of many – it is clear to financial counsellors that unassisted consumers receive significantly different outcomes to those who are assisted by experienced consumer advocates. This speaks to the inadequacy of existing retailer hardship arrangements in consistency and universality as everyone should have access to the same protections and rights regardless of whether they are represented by financial counsellors or not.

The framework can certainly be strengthened to require all customers get the same information about and offers of hardship options and treatment by energy retailers as they would if they were represented by a financial counsellor as part of a customer empowerment model.

Case Study: Retailer overcharge error, resolved by a financial counsellor

Ms. K is a single mother of two children, living in a small mortgaged property. She works part time and is also the recipient of a small Centrelink payment and a concession card. Like many people on restricted incomes, she is an excellent money manager and is very aware of her finances.

However, she had consistently high energy bills and was unsure as to why they were so high. There was an accumulating large energy debt which was concerning her, and the retailer was constantly pushing her to increase her repayments to pay the debt without offering other options. However, she simply could not afford to pay what they were asking her to do so.

Ms. K's financial counsellor found that the retailer had not proactively advised the customer about the Utility Relief Grant and the Excess Electricity Concession, despite her eligibility. Additionally, the financial counsellor investigated all of Ms. K's energy bills and found that between 2015 and 2020, her plan had changed to Peak charges only when she had originally been receiving charges for both Peak and Dedicated circuit. This was clearly an error on the part of the energy provider.

The financial counsellor advocated for the energy provider to recalculate all bills from July 2015 until November 2020, with all the overcharges at the higher peak rate to be credited back to Ms. K. This has resulted in a credit to the customer of \$2,771 which cleared the debt to her energy company and reduced the stress and anxiety she had been under for a long period of time.

Industry contributions to financial counselling

Additionally, we note that industry practices are a significant contributor to the workload of financial counsellors – for every consumer who is not well supported by a retailer's hardship practices, there's potentially significantly more work required by a financial counsellor. Recognising this, there have been a number of energy retailers who have

signed on as contributors to the Financial Counselling Industry Fund (FCIF), to contribute funds to a sector that they create work for.

We recommend that all energy retailers should be required under the ERCOP to financially contribute to FCIF, recognising the work they create for financial counsellors through their poor practices. The amount to be contributed can be scaled depending on the size of the retailer, the number of customers they have, the number of complaints they receive, and any other relevant factors.

Supporting the choices of energy consumers

Improving awareness of protections

Financial counsellors have noted that the primary issue with current protections and frameworks is the lack of public knowledge of their existence. Practically speaking, it is difficult for consumers to enforce their rights and protections, when they don't know these exist.

Options for improving public awareness of these protections should include required messaging to be included on all billing (paper or digital) and correspondence (including emails with bills attachments). This messaging should include requirements to list the Energy and Water Ombudsman Victoria, the National Debt Helpline, clearer and more frequent communication on best offer messaging, and proactive communication about different government relief schemes and concessions that may be available.

At the same time, we need to understand that inclusion of information on billing and correspondence is not sufficient in and of itself, given the complexity of charges on a standard energy bill. Efforts to improve transparency should include proactive community engagement and education teams embedded within retailers, responsible for working hand-in-hand with customer hardship teams and a dedicated customer advocate role, to assist consumers to understand and access their rights.

As financial counsellors have stated, currently the use of scripting and recordings for tick box and compliance purposes is *not* the same as walking a consumer through the information and ensuring consumers are properly informed.

A note on Victorian Energy Compare

The Victorian Energy Compare website is a really useful tool – for those consumers who have a great deal of personal capacity, are competent in English to a high level, and who can decipher their existing electricity bill. For anyone else, the Victorian Energy Compare website can be difficult to navigate without a competent consumer advocate to guide them.

Aside from the points in the Issues Paper from page 49 onwards relating to accuracy and timeliness of data on the Victorian Energy Compare website which we agree with, we suggest that the website should also be reviewed by specialists in Plain English and low-literacy groups, and the Energy Questionnaire translated into multiple languages. We recognise that the Frequently Asked Questions have been translated, but when the process itself is not accessible to those speaking languages other than English, it has failed in assisting a cohort of vulnerable energy consumers.

A financial counsellor-in-training noted “My parents are immigrants who don’t speak English well. Though they found out about the Victorian Energy Compare website through targeted advertising in their language, they couldn’t actually navigate the questionnaire because it was in English, so I had to do it to help them qualify for the \$250 energy discount”.

General updates and other changes

Embedded networks

We agree with better aligning protections for embedded network customers with regular customers’ protections, especially in cases of extreme vulnerability such as family violence. We note that many consumers may not even be aware that they have rented or bought a property which has an embedded network, or even understand the potential ramifications of being in a property with an embedded network.

When investigating a number of real estate listings for apartments in buildings with embedded networks, FCVic could see nothing in the property advertising that specifies this set-up. We suggest that this may leave consumers none the wiser that they do not have access to the same protections as other energy consumers.

A note on disconnections

In a country which is a signatory to the Universal Declaration of Human Rights, which states “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family”, we must recognise that **access to energy is a human right** and is essential to maintaining a standard of living in our modern society.

As such disconnection must *truly* be a last resort – if enacted at all.

Excerpt from Staying Connected: A Survey of Utility Payment Difficulties

“For some people, staying connected to utilities means that they have had to do many things to prevent disconnection. They may have had to go without necessities, ask for a deferment of payment or obtain material aid. As a consequence, disconnection rates alone are not always an accurate indication of fuel poverty.”

Authored by Heather Neilson, Good Shepherd Youth and Family Service

The quote above is from a paper originally published in 2001. Unfortunately, it is clear that the same issues with utility affordability and hardship approaches have not progressed or improved in over 20 years.

Expand Retailer of Last Resort scheme

Being conscious of the commercial drivers for most retailers, we suggest that the existing ‘Retailer of Last Resort’ scheme be expanded to address instances of not only retailer failure, but also instances where consumers are at risk of disconnection due to energy debts. If there is no retailer willing to take on supplying energy to a consumer, then government-funded energy services must step in to ensure that it is continuing to meet its obligation to its most vulnerable people.

Retailer obligations to engage

Before it reaches the point of the Retailer of Last Resort, we also recommend that there should be obligations on retailers to continue engagement with the consumer, working with them to find ways to manage the energy debt and maintain service connection. This should include requirements to notify consumers (and receive confirmation that the notification has been received and understood) when:

- payment matching arrangements or payment plans are coming to an end
- debts are being assigned or sold onto debt collectors
- a decision has been made to cease providing services to the consumer

In the above circumstances, there should be considerations in the framework around minimum timeframes and referrals onto the 'Retailer of Last Resort' – for instance, a minimum of a month's notice may be required to allow the consumer to seek financial or legal support from a financial counsellor or a community lawyer on their account and their options.

Applications for approval to disconnect

We also propose that before disconnection is enacted, that the retailer should be obliged to apply to the relevant state ombudsman scheme for permission to disconnect a consumer. The ombudsman schemes should be funded accordingly, to assess and manage disconnection requests and to liaise with the Retailer of Last Resort or a government-funded energy service to ensure continued service for a consumer.

On a related note, there should also be prohibitions on retailers on using the threat of disconnection as a negotiation tactic. Financial counsellors report that retailers use the threat of disconnection to get consumers to agree to unaffordable payment plans.

Case Study: Threat of disconnection

Dani*, a family violence victim-survivor, is in arrears on her utility bills. Her utility provider has demanded an extreme repayment plan from Dani of \$600 a fortnight, representing 100% of her income from Centrelink.

While Dani refused this payment plan, she was particularly worried about the consequences. She said, "if I comply, I can't pay bills, rent or eat – if I refuse, I'll be facing disconnection, debt collectors and legal action".

In summary

We recognise that a number of our recommendations represent government and regulatory financial investment, as well as potential financial cost to retailers.

However, when the top energy companies in Australia regularly record multi-million dollar profits annually, we posit that our recommended reforms will not represent a significant burden on the retailers when considering the outsized positive impact it will have for the most vulnerable.

Additionally, financial counsellors note that the cost of changes to the framework and the enforcement of human rights through access to energy cannot be measured in purely economic terms. The health and wellbeing cost of inadequate heating and cooling is

immense – not only to individual consumers, but in the long-term, to the health and medical system.

Thank you for the opportunity to provide this submission to the Essential Services Commission’s Energy Retail Code of Practice Review on behalf of Victorian financial counsellors who each year, assist over 23,000 vulnerable people experiencing financial hardship.